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ABSTRACT

This document contains multiple choice test items and assessment techniques for Missouri's fundamentals of marketing core curriculum. The core curriculum is divided into these nine occupational duties: (1) communications in marketing; (2) economics and marketing; (3) employment and advancement; (4) human relations in marketing; (5) marketing operations; (6) market planning; (7) physical distribution; (8) sales promotion; and (9) selling. Tasks under each duty contain coded references to a list of 11 textbooks. The core curriculum duty and competency addressed by each test item and assessment technique is identified. Correct answers to the test items are marked with an asterisk. Among the assessment techniques are role play; oral presentations; debates; business writing exercises; graphing; case studies; matching exercises; written reports; true or false questions; fill-in-the-blank questions; games; and crossword puzzles and word-search activities. A key or assessment rating sheet accompanies every assessment technique. (CML)

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FUNDAMENTALS OF MARKETING CORE CURRICULUM
TEST ITEMS AND ASSESSMENT TECHNIQUES

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CORE CURRICULUM

for

Fundamentals of Marketing

FUNDAMENTALS OF MARKETING

SUGGESTED TEXTBOOK RESOURCES:

MPP = MARKETING PRACTICES AND PRINCIPLES by Mason, Roth and Ross. Gregg Division/McGraw-Hill Book Company, 3rd Edition, 1980.

PRR = RETAILING PRINCIPLES AND PRACTICES by Meyer, Haines and Harris. Gregg Division/McGraw-Hill Book Company, 7th Edition, 1982.

OMPM (Car) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: CAREERS IN MARKETING by Bikkie. Gregg Division/McGraw-Hill Book Company, 2nd Edition, 1978.

OMPM (Comm) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: COMMUNICATIONS IN MARKETING by Rowe. Gregg Division/ McGraw-Hill Book Company, 2nd Edition, 1978.

OMPM (CS) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: CREATIVE SELLING by Ernest. Gregg Division/McGraw-Hill Book Company, 2nd Edition, 1978.

OMPM (ECON) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: THE ECONOMICS OF MARKETING by Klaurens. Gregg Division/ McGraw-Hill Book Company, 2nd Edition, 1978.

OMPM (HR) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: HUMAN RELATIONS IN MARKETING by Hiserodt. Gregg Division/ McGraw-Hill Book Company, 2nd Edition, 1978.

OMPM (MATH) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: MATHEMATICS IN MARKETING by Logan and Freeman. Gregg Division/McGraw-Hill Book Company, 2n Edition, 1978.

OMPM (MERCH) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: MERCHANDISING by Dorr, Richert, Meyer and Haines. Gregg Division/McGraw-Hill Book Company, 2nd Edition, 1978.

OMPM (SYOB) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: STARTING YOUR OWN MARKETING BUSINESS by Ely and Barnes. Gregg Division/McGraw-Hill Book Company, 2nd Edition, 1978.

OMPM (W&PD) = OCCUPATIONAL MANUALS & PROJECTS IN MARKETING: WHOLESALING AND PHYSICAL DISTRIBUTION by Ertel and Walsh. Gregg Division/McGraw-Hill Book Company, 2nd Edition, 1978.

DUTY: 080001A - COMMUNICATIONS IN MARKETING

A001: Define feedback.

OMPM (Comm), Ch. 1, p. 1

A002: List types of feedback.

OMPM (Comm), Ch. 1, pp. 1-2

A003: Explain feedback effect on human behavior.

RPP, Ch. 13, pp. 102-103

A004: Speak in a businesslike manner.

OMPM (Comm), Ch. 1, pp. 9-12

A005: Use proper listening skills.

OMPM (Comm), Ch. 2, pp. 17-26

A006: Use the telephone in a business-like manner.

OMPM (Comm), Ch. 4, pp. 51-54

A007: Use body language to help convey feelings in spoken communication.

OMPM (Comm), Ch. 3, pp. 36-37

A008: Read and understand written communications.

OMPM (Comm), Ch. 6, pp. 73-81

A009: Complete letters, forms, reports, and memorandums.

OMPM (Comm), Ch. 7, pp. 92-99

A010: Describe the importance of reading current business news media.

RPP, Ch. 16, p. 125

DUTY: 080001B - ECONOMICS AND MARKETING

B001: Identify statements that best describe marketing.

MPP, Ch. 1, pp. 2-7

B002: Explain the importance of marketing in our economy.

MPP, Ch. 3, pp. 22-26

B003: Recognize that economic goods are the products and services offered to meet consumer needs and wants.

MPP, Ch. 18, pp. 182-184

B004: Define Economics as a process.

MPP, Ch. 3, p. 22

B005: Identify economic activities.

MPP, Ch. 3, pp. 24-25

B006: Explain the importance of economics.

MPP, Ch. 18, pp. 187-188
OMPM (Econ), Ch. 1, pp. 1-2

B007: Identify three major types of economic resources.

OMPM (Econ), Ch. 1, pp. 1-2

B008: Identify examples of economic resources according to major type.

OMPM (Econ), Ch. 1, pp. 1-2

B009: Explain the meaning of private free enterprise.

MPP, Ch. 3, p. 24

B010: Describe the different types of business ownership.

MPP, Ch. 3, pp. 26-28

B011: Compare and contrast the three major economic systems.

RPP, Ch. 35, pp. 278-279

B012: Identify the characteristics and values of capitalistic, socialistic, and communistic economic systems.

RPP, Ch. 35, pp. 278-279

B013: Define profit.

MPP, Ch. 3, p. 26

B014: Identify elements that need to be accounted for before a profit can be made.

MPP, Ch. 3, pp. 26, 401-406

B015: Explain why profit is an essential part of the private free enterprise system.

MPP, Ch. 3, p. 26, 401-406
OMPM (Econ), Ch. 3, p. 35

B016: Define supply and demand.

MPP, Ch. 18, pp. 187-188

B017: Distinguish between buyer's and seller's markets.

RPP, Ch. 64, p. 513

B018: Describe the influences and interactions of supply and demand.

MPP, Ch. 18, pp. 187-188

B019: Identify that the market price of a product is based on what a consumer is willing to give and what a seller is willing to take.

MPP, Ch. 18, pp. 188-189

B020: Identify the effects of competition on buyers and sellers.

MPP, Ch. 18, pp. 186, 240, 261

B021: Explain why competition is important to the successful functioning of a private free enterprise system.

MPP, Ch. 3, pp. 24-25

B022: Define marketing functions.

MPP, Ch. 2, pp. 11-13

B023: Explain the functions involved in marketing products and services.

MPP, Ch. 2, pp. 1-4

B024: Define the meaning of a market for a product.

MPP, Ch. 5, pp. 44, 53

B025: Describe how a market for a product can be identified.

MPP, Ch. 5 & 6, pp. 45, 53-56

B026: Identify demographic characteristics that would compose market segments for particular procucts.

MPP, Ch. 5 & 6, pp. 45-56

B027: Define channel of distribution.

MPP, Ch. 24, pp. 252-253

B028: Describe two basic types of distribution.

MPP, Ch. 24, pp. 253-257

B029: Describe the functions; performed by channel intermediaries.

MPP, Ch. 24, pp. 253-255

B030: Explain the meaning of integrated distribution.

MPP, Ch. 25, p. 265

B031: Define Gross National Product.

MPP, Ch. 2, p. 11

B032: Identify components of GNP calculations.

MPP, Ch. 2, p. 11

B033: Explain why the U.S. GNP has continued to grow.

MPP, Ch. 2, pp. 11-14
OMPM (Econ), Ch. 3, p. 42

DUTY: 080001C - EMPLOYMENT AND ADVANCEMENT

C001: Identify personal occupational requirements.

MPP, Ch. 4, p. 33

C002: Describe entry-level marketing jobs available in most communities.

MPP, Ch. 4, pp. 30, 32, 35

C003: Identify possible advancement patterns

OMPM (Car), Ch. 2, p. 20

C004: Identify a tentative marketing occupational interest.

MPP, Ch. 4, p. 33

C005: Develop a confident attitude toward participating in an employment interview.

OMPM (Car), Ch. 10, p. 147

C006: Meet the standards of appearance and behavior required for the interview.

OMPM (Car), Ch. 10, p. 147

C007: Complete a personal resume.

OMPM (Car), Ch. 10, p. 144

C008: Complete employment application forms for marketing employment.

OMPM (Car), Ch. 10, pp. 147-149

C009: Recognize the purposes and types of employment tests and general guidelines for taking them.

RPP, Ch. 6, p. 42

C010: Complete a personal interview and follow-up.

OMPM (Car), Ch. 10, p. 149

C011: Explain the importance of rules and regulations in a business.

OMPM (SYOB), Ch. 4, pp. 54-56

C012: Describe desirable work habits.

OMPM (Car), Ch. 2, pp. 21-22

C013: Explain gross pay and net pay.

OMPM (Math), Ch. 8, p. 133

C014: Identify ways of tying school and work experiences together.

MPP, Ch. 13, pp. 133-134

DUTY: 080001D - HUMAN RELATIONS IN MARKETING

D001: Define human relations.

OMPM, (HR), Ch. 1, p. 1

D002: Identify the prominent human relationships in marketing businesses.

OMPM, (HR), Ch. 1, pp. 1-2

D003: Identify the importance of self-understanding in establishing effective human relationships.

OMPM (HR), Ch. 2, pp. 23-25

D004: Analyze personal interests, aptitudes, traits, abilities, and attitudes.

MPP, Ch. 4, p. 33

D005: Identify personal strengths and weaknesses.

RPP, Ch. 14, pp. 106-111

D006: Describe the importance of a positive self-image.

OMPM (HR), Ch. 2, pp. 21-22

D007: Identify resources for self-understanding.

MPP Ch. 4, p. 33
OMPM (HR), Ch. 2, p. 24

D008: Develop a plan of short and long-term goals.

OMPM (HR), Ch. 2, pp. 24-25

D009: Develop harmonious professional relationships with Co-workers, supervisors, and managers.

OMPM (HR), Ch. 5, pp. 67-69

D010: Develop relationships with customers that will favorably represent a business.

MPP, Ch. 32, pp. 333-335

DUTY: 080001E - MARKETING OPERATIONS

E001: Perform addition and subtraction applications in marketing.

OMPM (Merch), Ch. 2, pp. 22-23

E002: Perform multiplicaiton and division applications in marketing.

OMPM (Merch), Ch. 2, pp. 24-25

E003: Perform fraction and percentage applications in marketing.

OMPM (Merch), Ch. 2, p. 24

E004: Calculate correct prices of products or services and total amounts of purchase.

OMPM (Merch), Ch. 6, p. 82

E005: Handle various types of payment for purchases.

OMPM (Math), Ch. 3, pp. 41-42, 48

E006: Handle returns for exchange, cash refunds, or charge credit.

RPP, Ch. 30, pp. 239-240

E007: Handle COD and layaway sales transactions.

RPP, Ch. 28, pp. 222-223

E008: Explain importance of inventory control.

RPP, Ch. 39, pp. 307-308

E009: Explain the term perpetual inventory.

RPP, Ch. 39, pp. 311-313

E010: Explain the procedures of a physical inventory.

RPP, Ch. 39, p. 310

E011: Explain the importance of pricing.

MPP, Ch. 18, pp. 181-185

E012: Define the terminology used in pricing.

MPP, Ch. 19, pp. 195-197

E013: Calculate markup and markdowns.

RPP, Ch. 41, pp. 323-324

E014: Arrange currency and coin in cash drawer.

RPP, Ch. 28, pp. 223-224

E015: Maintain proper amount of cash in appropriate denominations in cash drawer.

OMPM (Math) Ch. 3, p. 43

E016: Balance cash drawer against cash register reading.

OMPM (Math), Ch. 3, pp. 49-50

DUTY: 080001F - MARKET PLANNING

F001: Explain the marketing concept

MPP, Ch. 2, p. 13

F002: Explain historical development in business that led to the adoption of the marketing concept.

MPP, Ch. 2, pp. 12-13

F003: Give examples of the marketing concept in action.

MPP, Ch. 2, pp. 12-16

F004: Explain the role that product/service planning activitives play in a company's success in the marketplace.

MPP, Ch. 14, p. 140

F005: Identify factors that influence product/service planning.

MPP, Ch. 14, pp. 140-143

F006: Identify the methods of gathering primary marketing data.

MPP, Ch. 12, pp. 118-122

F007: Apply one or more of the methods to gather primary data.

MPP, Ch. 12, pp. 118-122

F008: Explain the difference between the total market approach and the segmentation approach to product planning.

MPP, Ch. 6, pp. 53-54

F009: Cite examples of specific products/services and their target markets.

MPP, Ch. 6, pp. 54-56

F010: Identify the functions of packaging to meet the needs of specific marketing.

MPP, Ch. 16, pp. 161-162

F011: Define product line and product mix.

MPP, Ch. 14, pp. 141-142

F012: Identify the stages of the product life cycle.

MPP, Ch. 14, pp. 146-147

F013: Explain the steps in product development.

MPP, Ch. 14, pp. 142-146

DUTY: 080001G - PHYSICAL DISTRIBUTION

G001: Accurately check shipment or items against a packing slip.

OMPM (W&PD), Ch. 8, pp. 104-105

G002: Handle incorrect amounts or types of goods.

OMPM (W&PD), Ch. 8, p. 106

G003: Mark prices on various types of goods.

OMPM (W&PD), Ch. 8, pp. 109-110

G004: Identify housekeeping duties in connection with proper stock care.

OMPM (W&PD), Ch. 9, pp. 117-119

G005: Exercise precautions with store equipment to prevent accidents.

OMPM (W&PD), Ch. 9, p. 123

G006: Exercise precautions with stock to prevent accidents.

OMPM (W&PD), Ch. 9, pp. 118-119

G007: Identify importance of preventing stock shrinkage.

OMPM (W&PD), Ch. 9, p. 125

DUTY: 080001H - SALES PROMOTION

H001: Identify the major advertising media used to promote sales.

MPP, Ch. 28, pp. 291-295

H002: Identify the basic types of displays used to promote sales.

MPP, Ch. 31, pp. 324-327

H003: Identify the special promotion activities used to promote sales.

MPP, Ch. 31, pp. 320-324

H004: Identify how sales promotion benefits the marketing business, employee, and consumer.

MPP, Ch. 31, p. 320

H005: Identify the major elements of a print or broadcast advertisement.

MPP, Ch. 30, p. 315

H006: Read newspaper advertisements to keep informed of the advertising done by a business and its competition.

MPP, Ch. 30, p. 311

H007: Recognize broadcast promotions by a business and its competition.

MPP, Ch. 62, pp. 503-504

H008: Read current promotion material sent out to comsumers by a business and its competitors (ex. catalogs, manufacturers' brochures, etc.)

MPP, Ch. 30, p. 316

H009: Identify the cost of various advertising media.

MPP, Ch. 29, p. 307

H010: Identify the importance of visual merchandising as it applies to a business' image.

MPP, Ch. 31, pp. 324-325

H011: Select appropriate, seasonal, and timely display merchandise.

MPP, Ch. 31, p. 326

H012: Design displays considering the basic elements of display arrangement.

RPP, Ch. 46, pp. 364-367

H013: Plan location of displays.

MPP, Ch. 31, pp. 326-327

DUTY: 080001I - SELLING

I001: Identify how to analyze customer needs and wants.

RPP, Ch. 23, p. 181

I002: Identify how to determine the buying motives of customers and then appeal to them.

RPP, Ch. 42, pp. 333-334

I003: Approach the customer and begin the sale.

MPP, Ch. 34, pp. 347-349

I004: Present the features and benefits of a product or service.

MPP, Ch. 34, pp. 349-351

I005: Overcome customer's objections and excuses.

MPP, Ch. 34, pp. 352-353

I006: Close the sale.

MPP, Ch. 34, p. 353

I007: Follow-up to service the sale.

MPP, Ch. 34, pp. 353-354

I008: Identify sources of product or service knowledge.

MPP, Ch. 33, pp. 343-344

I009: Use information on tags, labels, stamps, wrappers, etc. to help the customer buy intelligently.

MPP, Ch. 16, pp. 166-167

I010: Convert product or service knowledge into selling points.

MPP, Ch. 34, pp. 350-351

I011: Compare goods or services favorably with competing products or services.

OMPM (CS), Ch. 4, pp. 53-55

I012: Suggest advertised product or services needed from one's own company that might satisfy customer's needs.

OMPM (CS), Ch. 3, pp. 33-35

I013: Coordinate products or services with related items in an attempt to increase the amount of sale.

MPP, Ch. 34, pp. 351-352

I014: Suggest larger quantities, higher priced goods, and additional goods in an effort to increase the average sale.

RPP, Ch. 45, p. 355

I015: Identify the various types of selling besides retailing that takes place in marketing.

MPP, Ch. 33, pp. 340-342

SUGGESTED
TEST ITEMS
FOR
FUNDAMENTALS
OF
MARKETING

DUTY: 08001A - COMMUNICATIONS IN MARKETING

A001: Communications in marketing involves:

A. A receiver
B. A sender
C. A means of transmitting
*D. All of the above

A001: The total communications process is complete when:

*A. The first sender has received feedback.
B. The sender transmits his/her message.
C. The receiver hears the message.
D. The first sender transmits their second message.

A001: Feedback can be defined as:

A. A response to a stimuli
B. Sending a message back
C. Part of one-way communication
*D. Both A and B

A002: Feedback can be found in which form(s)?

A. Verbal
B. Non-verbal
C. Written
D. Both A and B

A002: The most effective form of feedback is verbal. (answer: true)

A003: One way to ensure real understanding is to give immediate feedback. (answer: true)

A003: When you hear something that makes you anxious, excited or angry, you should block out all of the message that is making you feel that way. (answer: false)

A004: Which of the elements below are most important in business communication?

*A. Clarity, accuracy
B. Brief, clarity
C. Accuracy, colorful
D. Colorful, brief

A004: When speaking in a businesslike manner, accuracy means:

A. Clearness or lucidity
*B. Correct and complete as possible
C. Appropriate
D. Colorful

A004: Which statement below is the most correct for speaking in a businesslike manner?

A. Almost half of the customers prefer Pete's Ice Cream.
B. A reasonable percentage of the customers prefer Pete's Chocolate Ice Cream.
C. Forty two percent of the customers said they did not object to the taste of Pete's Ice Cream.
*D. Forty two percent of the customers surveyed said they did not object to the taste of Pete's Chocolate Ice Cream.

A005: Which statement best defines listening?

A. Hearing sounds
B. being aware of sounds
C. Paying attention to sounds
*D. Paying attention to the meaning of the sounds

A005: Which of the following IS NOT a basic rule of active listening?

A. Listen with empathy
B. Listen carefuly
*C. Be patient
D. Have an open mind

A005: Which of the following is not a good guideline for small group listening?

A. Minimize interruptions
B. Listen for the name
C. Be patient
*D. All of the above are good guidelines

A006: When using proper business etiquette on the telephone, you should:

A. Talk at a normal pitch
B. Hold the phone about one inch from your lips
C. Talk in a loud tone
*D. Both A and B

A006: It is important to have good listening skills on the telephone because a marketer may be required to:

A. Handle complaints
B. Take messages
C. Record orders
*D. All of the above

A007: Body and facial movement may communicate a great deal about:

A. Feelings
B. Emotions
C. Reactions
*D. All of the above

A007: Sometimes people make body or facial movements without realizing they are doing so. (answer: true)

A007: A marketer's gestures will not affect the sale of a product. (answer: false)

A008: Which of the following is a type of reading a marketer may use?

A. Intense reading
B. Skimming
C. Scanning
*D. All of the above

A008: How many factors determine the speed at which a marketer reads.

A. Two
B. One
*C. three
D. Five

A008: The SQ3R formula for reading and understanding refers to:

*A. Skim, question, read, recall, review
B. Scan, question, recall, read, review
C. See, question, relate, response, read
D. Skim, quick, recent, relate, read

A009: When dealing with business letters, a rough draft is:

A. A letter to a secondary customer
B. An office memo
*C. The preliminary version of a written communication
D. The basic format

A009: A business letter may include all of the following EXCEPT:

A. A subject line
B. A company signature
C. A copy notation
*D. All of the above may be included

A009: Which statement about memorandums is correct?

*A. Printed memo forms vary to suit the requirements of individual companies.
B. The information contained in memos does not deal with company policy or procedures.
C. All company memo forms measure 8 1/2 by 11 inches.
D. When using carbon tissues, they should all be the same color.

A010: Marketers can learn a great deal about consumer needs and wants by studying research reports found in trade journals. (answer: true)

A010: Which of the following publications would NOT be of much help to the marketer in his/her business?

A. Advertising Age magazine
B. Sales and Marketing Management magazine
*C. Omni Magazine
D. Fortune magazine

DUTY: 08001B - ECONOMICS AND MARKETING

A001: ________________is the total process of moving, handling, and storing goods on the way from the producer to the consumer.

A. Marketing
*B. Distribution
C. Production
D. Retailing

A001: _______________ is all the activities that take place to put the goods and services people want into their hands.

*A. Marketing
B. Consumer
C. Distribution
D. Products
E. Retailing

B002: An economic system must decide:

A. What goods and services should be produced
B. How they should be produced
C. How they should be distributed
*D. All of the above

B002: The climate of a modified free-enterprise system gives people:

A. A sure way of success
*B. The right to open their own business
C. The safety of government ownership
D. All of the above

B003: Economic goods are:

*A. The products and services offered to meet consumer needs and wants.
B. Products that are sold to be used without further processing.
C. Goods that are used in producing other goods.
D. All natural resources that are available.
E. All of the above.

B003: Economic goods are goods that have utility and require human effort to bring then to market. (answer: true)

B004: The way a nation chooses to use its resources both manufactured and natural, to produce and market goods and services is:

A. An economic system
B. An economy
C. Government regulations
*D. Both A and B

B004: Productive resources in the economic process refer to:

*A. Labor force
B. Wages and salaries
C. Trucks and trains
D. Products sold to the final consumer

B005: ________________ is the struggle of each business to obtain a share of the market.

A. Ownership
*B. Competition
C. Risk
D. Production

B005: An economic system must decide how to produce ______________ efficiently, making the best use of its_________________.

A. Resources, goods
B. Services, goods
C. Goods, services
*D. Goods, resources

B006: Economics deal with the way in which consumer __________________ are satisfied or fulfilled.

A. Needs
B. Wants
C. Profits
*D. Both A and B

B006: Economics has to deal with the situation that human (consumer) wants are ________________.

A. Limited
B. Seasonal
*C. Unlimited
D. All of the above

B007: Which of the following are major types of economic resources?

A. Land, planes, money
B. Capital, money, trucks
*C. Labor, land, capital
D. Money, labor, tools

B007: ______________, land, and ______________ are three major economic resources.

A. Entrepreneurs, labor
B. Money, entrepreneurs
C. Goods, services
*D. Labor, captial

B008: Which of the following is an example of land resources?

A. Trees
B. Rivers
C. Gas
*D. All of the above

B008: Looking at capital as an economic resource, ______________ would be a good example of capital.

A. Money itself
B. Money as a production tool
C. Factories
*D. Both B and C

B009: Private free enterprise gives the person the ability to:

*A. Become an entrepreneur
B. To work for the government
C. Work without competition
D. Assure themselves of a profit.

B009: Which of the following elements IS NOT a characteristic of private free enterprise.

A. Risk
B. Profit
C. Competition
*D. Partnership

B010: A business that is owned and operated by its customers is a ______________. In comparison, a business with many owners that operates under a government charter is a ______________.

A. Corporation, cooperative
B. Sole proprietorship, partnership
*C. Cooperative, corporation
D. Partnership, sole proprietorship

B010: A business owned by two or more people is a ________________, while a business owned by one person is a ________________.

A. Partnership, cooperative
*B. Partnership, sole proprietorship
C. Corporation, partnership
D. Corporation, sole proprietorship

B011: The Soviet Unions' Communistic economy does not consider consumer likes and dislikes when making economic decisions. (answer: true)

In the American private free enterprise system the business person does not have to deal with government if they don't want to. (answer: false)

B012: The circular flow in the free market economies is made up of six main groups of people. (answer: false)

B012: In a communistic economy, like that of the Peoples' Republic of China, they use government policies to decide who gets certain goods and services. (answer: true)

B013: The most important, related goal to profit is:

A. Modifying your operation
B. Pricing
*C. Satisfying customers
D. Eliminating risk

B013: _______________ is the amount left from sales income after all expenses have been deducted.

*A. Profit
B. Gross margin
C. Investment
D. Net loss

B014: Which of the following is an element that needs to be accounted for before a profit can be made.

A. Risk
B. Competition
C. Ownership
*D. None of the above

B014: Sales income and business expenses are both elements that need to be accounted for before you can make a ________________.

A. Marketing plan
B. Service
C. Product
*D. Profit

B015: Profit shows its importance to the private free enterprise system by:

A. Indicating approval by the customer.
B. Allowing the expansion of production capacity.
C. Allowing the operation to stay in business.
*D. All of the above.

B015: When a business is operated efficiently and customers want its products and services, the business:

*A. Will make a profit
B. Has eliminated risk
C. Has eliminated competition
D. Will sustain a loss

B016: Supply and demand are important economic factors that influence ________________.

*A. Price
B. Break-even point
C. Ownership
D. Fashion appeal

B016: The quantity of a product offered on the market at a specific price is called:

A. Demand
*B. Supply
C. Break-even point
D. Price

B017: A ________________ market is one in which the purchasers of products and services are in control because the supply exceeds the demand for a product.

A. Sellers
*B. Buyers
C. Stock
D. Economic

B017: A ______________ market is one in which the holders of a product are in control because the demand exceeds the supply of the product.

*A. Sellers
B. Buyers
C. Farmers
D. Economic

B018: An increase in price will usually cause the supply of a product to:

A. Remain the same
B. Decrease
*C. Increase
D. None of the above

B018: An increase in price will usually cause the demand for the product to:

*A. Decrease
B. Remain the same
C. Increase
D. None of the above

B019: Which of the following are goals that a company strives to obtain through their pricing policies?

A. To obtain a specific share of the market.
B. To achieve a specific return from sales.
C. To meet competition
*D. All of the above

B019: ________________ is a method of pricing that involves setting price levels according to the rate of profit that a company wants.

*A. Target return
B. Meeting competition
C. Return on investment
D. Obtaining market share

B020: There will be no profit made if the marketer's decisions about what ________________ and ________________ people want to buy are incorrect.

A. Prices, payments
*B. Goods, service
C. Labor, capital
D. None of the above

B020: Competition will have strong effects on both buyers and sellers. (answer: True)

B021: Competition in a private free enterprise system is important because:

A. It forces business to constantly improve their goods and services.
B. Without it, business could offer you a minimum of services.
C. It is a check and balance system.
*D. All of the above

B021: The struggle of each business in a private free enterprise system is to obtain ________________. This struggle is known as competition.

*A. Market share
B. Low risk
C. Free ownership
D. A little profit

B022: Which of the following IS NOT one of the activities involved in marketing?

A. Exchange activities
*B. Production
C. Facilitating activities
D. Physical distribution

B022: When working within the functions of marketing, the marketer must consider both the ____________ and the ________________.

A. Production, customer
B. Production, consumption
*C. Product, customer
D. Time utility, cost

B023: The marketing mix is made up of ____________________ elements.

A. 6
B. 3
C. 2
*D. 4

B023: Which of the following IS NOT an element of the marketing mix?

*A. Pride
B. Product
C. Price
D. Place

B024: ____________________ is all of the potential customers for a product or service or group of products or services.

A. Household
B. Age group
C. Population
*D. Market

B024: There are two types of markets: the ________________ market, and the _____________ market.

A. Service, goods
*B. Industrial, consumer
C. Food, general merchandise
D. None of the above are markets

B025: Some of the decisions made about a consumer market are based on:

A. The size and characteristics of the population.
B. The amount of money people have available to spend.
C. The way people spend their money.
*D. All of the above.

B025: Some of the characteristics of population that should be considered are:

A. Size
B. Births
C. Deaths
*E. All of the above

B026: The division of a total market into groups according to customer needs and characteristics is called.

*A. Market segmentation
B. Consumer market
C. Industrial market
D. Supermarket

B026: Children, teen-age, young-adult, middle-age, and over-65 markets are market divisions based on:

A. Income level
*B. Age
C. Sex
D. Geographical location

B027: A ______________________ includes the firms involved with the ownership and possession of goods and services from the point of production to delivery to the consumer or industrial user.

A. Integrated distribution
*B. Channel of distribution
C. Selected distribution
D. Train distribution

B027: Transportation companies and independent warehouses ship and store goods on their way to market, but they DO NOT __________________ or __________________ them.

*A. Own, control
B. Own, take possession
C. Manufacturer, move
D. None of the above are correct

B028: The manufacturer to consumer channel of distribution is characterized by:

A. Sales to wholesalers
B. Sales to agents but no ownership transfer
*C. No middlemen involved
D. Both A and B

B028: Manufacturer to wholesaler to retailer to consumer is the most frequently used channel of distribution. (answer: true)

B029: The agent intermediary:

A. Does not take possession or ownership of the goods.
B. Brings the buyer and seller together.
C. Only deals with meat goods.
*D. Both A and B

B029: __________________ handles sales and shipments to retailers in their regions.

A. Agents
B. All middlemen
*C. Wholesalers
D. Retail managers

B030: _____________________ is the form of distribution in which manufacturers act as their own retailers or wholesalers:

*A. Integrated distribution
B. Selective distribution
C. Intensive distribution
D. Exclusive distribution

B030: An advantage of integrated distribution is:

A. The company can maintain control over the display of their products.
B. The company can maintain control over selling techniques used with its products.
C. The company can control the storage of its products.
*D. All of the above.

B031: The total value of the production of goods and services in the nation over a specified period (usually one year) is:

A. Gross net product
B. Gross national production
*C. Gross national product
D. Growing net product

B031: Production is so important that we measure the health (GNP) of our entire economy by the amount of _________________ each year.

A. Meat and eggs produced
B. Goods produced
C. Services produced
*D. Goods and services produced

B032: When calculating GNP, imports into the economy must be taken into consideration. (answer: false)

One element of GNP is the production of wheat in the U.S. (answer: true)

B033: Economic growth is a direct result of:

*A. Capital investment
B. Marketing
C. Advertising
D. Merchandising

B033: The U.S. GNP has continued to grow because of ________________ that encourage the entrepreneurs to invest capital into the system.

A. Government laws
*B. Profit motives
C. Social motives
D. Trade deficits

DUTY: 080001C - EMPLOYMENT AND ADVANCEMENT

C001: Success in marketing requires ____________________, skills, and the right personal attitudes.

*A. Knowledge
B. Pride
C. Connections
D. Training

C001: The first personal occupational competency that is acquired and developed is:

A. Marketing competency
*B. Social competency
C. Technology competency
D. Economic competency

C002: The marketing cluster contains occupations available in most communities that range from entry-level to that of __________________ of a marketing organization.

A. Vice-president
B. Director
*C. President
D. Manager

C002: The marketing subclusters identify what about marketing jobs.

A. Typical jobs
B. Salary range
C. Nature of work
*D. Both A and C

C003: A typical pattern of advancement within a company requires additional education. This could be received through:

A. Night school
B. On-the-job training
C. Company financed schooling
*D. All of the above

C003: The only way to advance in your career is through the company with which you get your first job. (answer: false)

C004: To select a career that is both interesting and challenging, you must first determine:

A. Your interest
B. Your abilities
C. Your connections
*D. Both A and B

C004: Which of the following questions would be helpful in determining your tentative marketing occupational interest?

A. What kind of work do you do well?
B. What special interest do you have?
C. What special skills do you have?
*D. All of the above

C005: The best way to develop self-confidence toward participating in an interview is to:

*A. Be prepared
B. Get there early
C. Wear something comfortable
D. Talk to the secretary

C005: To help build your confidence when preparing for an interview, you should:

A. Have any material you may need
B. Be well groomed
C. Be suitably dressed
*D. All of the above

C006: When choosing what to wear to your interview, a good rule of thumb is to:

A. Wear something casual.
B. Wear something extreme, so as to make an impression.
*C. Wear the most conservative clothes you own.
D. Wear what you like best.

C006: If you feel shy in the interview, you should:

A. Cover it up by being brash.
B. Make exaggerated efforts to appear at ease.
C. Ask to leave and come back at a better time.
*D. Admit openly to the interviewer that you are nervous.

C006: You should ____________________ your resume neatly on a single page.

*A. Type
B. Print
C. Write
D. Any of the above

C006: When preparing a number of resumes you should have a few good reproductions made or:

A. Neatly write out copies
B. Use carbon paper
*C. Type each copy separately
D. Neatly print out copies in ink

C008: When filling out an employment application you should:

A. Take your time
B. Write or print carefully
C. Ask for two forms, in case you make a mistake
*D. Both A and B

C008: Most application forms ask you to state the salary you expect, you should:

A. Write down the largest amount you can get away with.
B. Write usual rate.
C. Write what you think is fair.
*D. All except A

C009: Employment tests that deal with manual dexterity attempt to measure:

*A. The ability to use one's hands skillfully
B. The ability to reason well
C. The ability to get along with others
D. The ability to work with numbers

C009: Test of clerical ability, such as number matching, may be given to applicants for nonselling positions. (answer: true)

C010: By writing a short note to the interviewer, after the interview, that expresses your interest in the job, just might:

A. Make them mad
B. Seem to pushy
*C. Get the results you want
D. None of the above

C010: Writing a follow-up note will, in most cases, create a ________________ impression.

A. Pushy
*B. Favorable
C. Poor
D. So-so

C011: When refering to regulations (policies) in your price lines, your pricing policy should reflect:

A. The value which customers expect to receive
B. Your location
C. The image you wish to establish.
*D. All of the above

C011: Your policy statements concerning products should describe the:

A. Quality
B. Variety
C. Style of your competition
*D. Both A & B

C012: The habit of not ________________can earn you an undeserved reputation for stupidity on the job.

A. Talking
*B. Listening
C. Working
D. Grooming

C012: Good work habits and working hard are really a matter of simple ________________.

*A. Honesty
B. Loyalty
C. Caring
D. Habits

C013: ________________ is obtained by subtracting an employee's total deductions from total earnings.

A. Gross pay
*B. Net pay
C. Monthly pay
D. Bonus pay

C013: Total earnings and gross pay mean the same thing, so total deductions and net pay mean the same thing. (answer: false)

C014: One way of tying school and work experiences together is through:

A. DECA
B. Creative marketing projects
C. Individual competency based events
*D. All of the above

C014: Working on a DECA written event sometimes involves marketing research data. This might mean using data gathered from primary sources such as:

A. Government publications
*B. Actual marketing situations
C. Research companies
D. None of the above are primary data sources.

DUTY: 080001D - HUMAN RELATIONS IN MARKETING

D001: Human relations is defined as:

A. The science of human behavior
*B. The art of getting along with others
C The art of listening to others
D. The science of human development

D001: Psychology is defined as:

*A. The science of human behavior
B. The art of getting along with others
C. The art of listening to others
D. The science of human development

D002: In marketing, human relations has three important goals. Which of the following IS NOT one of them?

A. Achieving satisfaction from your work
B. Increasing production through people
C. Gaining the cooperation of others
*D. Making friends on a social level

D002: Gaining the cooperation of co-workers is as important as gaining the customers' cooperation. (answer: true)

D003: The first step in self-understanding, in order to change your personality so as to improve your human relation skills, is:

A. Find out how your personality rates.
*B. Decide that your personality can be improved
C. Develop a plan of action.
D. You cannot change personality

D003: Your personality may be fine for everyday relationships, but through self-evaluation you may find out:

A. That it is not suitable for a marketing job
B. That it is not suitable for a business setting
C. That it is not suitable for human relations on a marketing level
*D. All of the above

D004: One of the best and most inexpensive ways of analyzing your interests, abilities, and attitudes is by:

A. Answering questions about yourself
B. Asking someone else
C. Asking your mother
*D. All of the above together

D004: Guidance counselors are of little assistance in analyzing your interests, aptitudes, traits, abilities, and attitudes. (answer: false)

D005: A tape recording of one of your own conversations is a good way of starting to identify strengths and weaknesses. (answer: true)

D005: When identifying personal strengths and weaknesses, it is advisible to center your attention on the qualities

A. Of loyalty and trust
B. Of honesty and aggression
*C. Desired by employers
D. Desired by family

D006: ____________________ is an inner feeling of trust, reliance, and assurance concerning your own physical, mental, and emotional characteristics.

A. Emotions
*B. Self-confidence
C. Intelligence
D. Initiative

D006: Self-confidence can be demonstrated on the job through:

A. Success
B. Restoring good working relation with a co-worker.
C. Your actions
*D. All of the above

D007: Which of the following is a good resource for developing self-understanding?

A. Personality assessment test
B. Close relatives
C. Friends
*D. All of the above

D007: If you are interested in having a scientific evaluation of your personality done, it is best to use the services of:

A. A counselor
B. A psychologist
C. Your friends
*D. Both A and B

D008: Developing a plan of action for personality development is the fourth step in your self-improvement project. It is very important because:

*A. It is too important to leave to chance.
B. All personality traits are almost impossible to change.
C. People will not do anything without a plan.
D. Everyone needs to change their personality.

D008: When setting your short-term goals for personality development, you should:

A. Go for the most difficult first
*B. Go for the easiest first
C. Have some easy and some difficult
D. Not worry about short term goals

D009: Developing good relations on the job, is to successfully relate to your co-workers, supervisors, and managers to accomplish goals. Adjusting personalities to accomplish mutual goals or objectives is often called:

A. Human development
B. Discrimination
*C. Team-building
D. Ethnic adjustment

D009: All employees should have the skills that are necessary for performing their tasks, and they must also understand:

A. That they are the only one that makes the team work.
*B. Each other's roles
C. The technical side of psychology
D. That they must be the leader of the team.

D010: Today many businesses think of their customers as ________________ and treat them as such.

A. Trouble
B. Money
C. Unnecessary
*D. Guests

D010: Which of the following is a common public relations effort aimed toward customer relations?

A. Consumer advisory boards
B. Making consultants available
C. Staging special events
*D. All of the above

DUTY: E080001E - MARKETING OPERATIONS

E001: Your retail inventory on March 1, is $5000.00. You had $700.00 in markdowns in February. Given these two factors, what was the retail inventory on February 1?

A. $4,300.00
B. $4,700.00
C. $5,300.00
*D. $5,700.00

E001: Your retail inventory on March 1, is $7,157.32; you had $652.20 in markdowns during the month. What is your retail inventory at the end of the month?

*A. $6,505.12
B. $6,505.52
C. $7,809.52
D. $7,908.12

E002: If your open-to-buy is $3,000 for a 14 day period of time, and you spent an average of $400 a day, did you stay within your open-to-buy budget? (answer: no)

E002: If your open-to-buy budget allows you $2000 in seven days, how much merchandise can you buy a day?

A. $ 250.00
B. $1,999.97
*C. $ 285.71
D. $ 285.00

E003: The retail value of the planned purchases for April is $7,600 and the planned initial markup on the purchases is 40 percent. What is the figure for the planned purchases at COST?

A. $3,040.00
B. $ 304.00
*C. $4,560.00
D. $ 456.00

E003: The retail value of the planned purchases for April is $6,982.71 and the planned initial mark-up on the purchases is 53 percent. What is the figure for the planned purchases at COST?

A. $ 328.18
*B. $3,281.87
C. $3,700.21
D. $ 370.02

E004: Six hundred high quality shirts cost a buyer $5,000. The buyers overhead is $1,000. Determine the correct retail price for each shirt with a 10% return on the cost of goods.

A. $ 9.16/shirt
B. $ .91/shirt
C. $ 1.10/shirt
*D. $11.00/shirt

E004: Four hundred footballs cost a buyer $1,000.00. The buyer's overhead is $126.50. With a 15% return on the cost of goods, what would be the price at RETAIL for the total amount purchased?

A. $ 129.48
*B. $1,295.48
C. $1,150.00
D. $ 150.00

E005: On most cash registers, two-letter abbreviations identify the different kinds of transactions. If a customer paid for their purchase with a check, which key abbreviation would you use.

*A. CA - cash sale
B. CH - charge sale
C. PD - paid-outs
D. NS - no sale

E005: When recording a charge sale, the sales check should be prepared first. What information is found on the sales check?

A. Customer name
B. Items purchased
C. Address that will be charged
*D. Both A and C

E006: When handling cash refunds, most stores require the customer to have:

A. A receipt for the merchandise
B. Proper identification
C. The bag the merchandise came in
*D. A or B

E006: When handling returns for exchange, if the price of both articles is the same:

A. It is called an even exchange.
B. It is called an uneven exchange because of lost shelf time.
C. Usually the salesperson can handle the situation by writing a new sales check.
*D. Both A and C

E007: Some stores may require a ________________ on COD sales to ensure that the customer will accept the goods when they are delivered.

A. Check at time of purchase
B. Credit card number
*C. Cash deposit
D. Second address

E007: If a store withdraws an item from stock and holds it in storage for a customer, it is a will-call sale or:

*A. Layaway sale
B. COD sale
C. Credit sale
D. Charge sale

E008: Reliable inventory control provides retailers with information for:

A. Pricing
*B. Calculating taxes
C. Employee discounts
D. Product offering

E008: State and local government will accept inventory records as a basis for figuring taxes only when:

A. There is no other record
B. The end of the year taxes are figured
*C. Records are properly organized
D. They will never accept personal business records

E009: You make a physical count of merchandise once or twice a year. In order to obtain current inventory figures you should be using:

A. A model stock plan
*B. Perpetual inventory system
C. Physical inventory system
D. Tickler control system

E009: Perpetual inventory systems always begin with:

*A. A physical inventory
B. A model stock plan
C. A basic stock system
D. Both B and C

E010: Which of the following IS NOT a procedural system of physical inventory.

A. Tickler control
B. Reorder control
C. Visual control
*D. Basic stock control

E010: Under a physical inventory system, buyers take an ______________ of merchandise.

A. Estimate
*B. Actual count
C. Book count
D. Computer count

E011: Price is extremely important in marketing competition because:

A. It eliminates risk
B. It's easily measured
C. It's easily observed
*D. Both B and C

E011: Price is important to customers because they use it to measure the ___________________ of the product.

A. Quanity
*B. Quality
C. Style
D. Supply

E012: Flexible price strategy means:

A. The technique of offering the same price to all customers
*B. Offering a product to different customers at different prices
C. Changing transportation costs
D. All prices are stated in terms of a standard unit.

E012: A price leader is:

*A. A product of regular quality offered at a very low price for a limited time.
B. The highest price in the store
C. The best price on the market
D. The highest price you can charge for that product.

E013: The initial markup on an item that sells for $142.37 and cost the buyer $97.36 is:

A. $ 4.50
*B. $45.01
C. $68.38
D. $46.01

E013: The markdown percentage for an item that was selling for $50.00, but is now selling for $40.00 is:

A. 10%
B. 1%
*C. 20%
D. 2%

E014: When arranging your cash drawer, if you need to handle $2 bills, you should place them:

A. Next to the 20s
B. Next to the 10s
C. Next to the 5s
*D. Underneath the 1s

E014: In your cash drawer, silver dollars and half dollars should be placed:

*A. First compartment on the left
B. First compartment on the right
C. Underneath the cash drawer
D. Anywhere you can

E015: The amount of change kept in your cash drawer depends on:

A. Which day it is
*B. The price of the typical items sold
C. How much money the store makes
D. How much money the department has on hand

E015: If the common sale in your department is five dollars, you should have in your change fund:

A. Many $1 bills
B. Many $5 bills
C. A few $10 bills
*D. Both B and C

E016: When "proving cash" at the end of the day, which of the following records are needed?

A. Audit-tape readings of total cash sales
B. Voided receipts
C. Your cash report
*D. All of the above

E016: When "proving cash," your change fund should be ____________ from the cash drawer.

A. Added
*B. Subtracted
C. Not considered
D. It depends on the amount of sales

DUTY: 080001F - MARKETING PLANNING

F001: The idea of fulfilling the needs of customers at a profit is called:

A. Business concept
B. Consumption concept
*C. Marketing concept
D. Technical concept

F001: To market large quantities of goods effectively, business people must consider both the __________ and the ______________.

A. Production, cost
*B. Product, customer
C. Consumption, cost
D. Product, production

F002: One of the historical developments that brought the marketing concept into being was the change from trying to sell to ________________, to selecting the most likely ________________ for the products.

*A. Everybody, customer
B. Farmers, customer
C. Everybody, farmer
D. Other countries, U.S. market

F002: Historically speaking, a business that adopted the marketing concept centered all company planning and activity on ________________.

A. Technical research
B. Production needs
C. Profit motives
*D. Customer needs

F003: When the marketing concept is in effect, the production process can add form utility to the product. Form utility is defined as the increased usefulness of a product to a consumer:

*A. Because of a change in the basic material
B. Because of the time it's made available
C. Because of the convenient location of the product
D. Could be any of the above

F003: When the marketing concept is being utilized, the increased usefulness that a marketer gives a product by making it available to the customer at the right time of year and most convenient time of day is called:

A. Form utility
B. Possession utility
*C. Time utility
D. Place utility

F004: A decision involving the planning of a product may be the most important one the marketer makes because this decision commits the company's ________________.

A. Money
B. Capital
C. Labor
*D. Both A & B

F004: Product/service planning is important to a company's success in the always changing market place. Because of this marketers believe in the motto:

A. "Perish and die"
*B. "Innovate or perish"
C. "Profit at all cost"
D. "Product before service"

F005: One of the strongest influences on products and product planning is:

A. Service
B. Color
*C. Competition
D. Price

F005: ____________________ may prevent a change that the marketer feels is needed for the product.

*A. Production limitations
B. Service problems
C. Competition
D. Consumer demand

F006: Which of the following IS NOT a method of gathering primary data?

A. Survey
B. Panel
C. Experimentation
*D. Government reports

F006: One of the most widely used ways of obtaining primary data for marketing is:

A. The panel
B. Observation
*C. Survey
D. Test Marketing

F007: When using the survey method to gather primary data:

A. You should question every customer in your target group.
*B. You should select a random sample of customers.
C. You should ALWAYS hide the purpose of your survey.
D. Do not use the survey method at all - it's to expensive.

F007: When applying the panel method to gather primary data, some of the most valuable information you will receive is:

A. Information about customer loyalty
B. Information about sales trends
C. Information about consumer age
*D. Both A & B

F008: The division of a total market into groups according to customer needs and characteristics is called:

A. Total market analysis
*B. Market segmentation
C. Marketing concept
D. Total market concept

F008: Thinking in terms of market segmentation helps marketers sell:

*A. More efficiently
B. To more people
C. Higher price products
D. In larger quanities

F009: If you were a marketer for "Sugar Pops" breakfast cereal, which of the following markets would be your primary target market?

A. Over 65
B. Teenage
*C. Children
D. Young adult

F009: If you were a marketer of automobiles, which of the following markets would be a vital target market?

A. Over 65
B. Teenage
C. Children
*D. Young adult

F010: Which of the following is a function of packaging products?

A. Container for product
B. Identify the product
C. Make the product easy to use.
*D. All of the above

F010: Which function of packaging products helps to protect the product for customer use?

*A. Container for product
B. Identification of product
C. Make the product easy to use
D. Promote the product

F011: A group of similar types of product items which are closely related and are used together or are sold to the same customer groups is called:

A. Product
B. Product item
*C. Product line
D. Product mix

F011: The total of all product items and product lines offered for sale by a company is called:

A. Product item
B. Product line
C. Product planning
*D. Product mix

F012: The stage in the product life cycle that occurs when sales begin to level off is called:

A. The introduction stage
B. The growth stage
*C. The maturity stage
D. The decline stage

F012: Which of the following is not a stage in the product life cycle?

A. The introduction stage
B. The growth stage
C. The maturity stage
*D. The final stage

F013: Which step in the product development process utilizes thorough business analysis which usually results in the elimination of some ideas?

A. Testing the product
B. Marketing the product
*C. Evaluating ideas
D. Preparing a prototype

F013: Which step in the product developing process utilizes product design, type, and quality of materials and manufacturing methods?

*A. Preparing a prototype
B. Generating ideas
C. Marketing the product
D. Testing the product

DUTY: 080001G - PHYSICAL DISTRIBUTION

G001: Which of the following is a method for checking an incoming shipment?

A. The open check
B. The blind check
C. The spot-check
*D. All of the above

G001: When a large number of similar shipments arrive, which method of checking in the shipment would be most appropriate?

A. The close check
*B. The spot check
C. The blind check
D. The open check

G002: The first step to take when returning merchandise on an incorrect order is to:

A. Make out a bill of lading
B. Make sure goods are properly packed
C. Arrange for transportation
*D. Check goods to be returned against the return form.

G002: It is important that the receiving report be filled out carefully because if there are mistakes on it, when returning goods or detecting missing goods the company may be responsible for:

A. Taking too much time
*B. Paying for some of the missing or damaged goods
C. Paying for the transportation of the goods back to the vendor
D. Replacing the goods

G003: Which of the following is a method for determining which price to mark on a particular item?

A. The price may be marked on a sample
B. Pre-retailing may be used
C. Check the items already on the selling floor
*D. Both A & B

G003: What kind of price ticket (tag) would you use on delicate fabrics such as hosiery?

*A. Wedge ticket
B. Button ticket
C. Pin ticket
D. Hole pin ticket

G004: When moving a unit load from one area to another, which is the best way to protect it and handle it?

*A. Use a pallet and forklift
B. Move the load short distances at a time
C. Use as many people as possible
D. Carefully hand carry one box at a time

G004: When material handlers move merchandise in the warehouse, which of the following IS NOT one of the majors goals of their job which protects the goods and equipment?

A. Receive incoming shipments
B. Check invoices
C. Handle products as little as possible
*D. Both A and B

G005: When handling merchandise safely, a good rule of thumb is:

A. Do not try to handle an unfamiliar job without instructions.
B. If you can't remove dangers, report them immediately.
C. Hitch rides on trucks as often as possible to avoid walking past stacked goods.
*D. Both A and B

G005: Which of the following is an example of exercising caution with equipment?

*A. Not using a forklift that is running poorly
B. Being very careful with a forklift that is running poorly
C. Using the poorly working forklift and reporting it at the end of the day.
D. Move the forklift so only you know where it is.

G006: Which of the following could be a reason for inventory shrinkage?

A. Shoplifting
B. Stealing by workers
C. Breakage
*D. All of the above

G006: Why is preventing stock shrinkage so important?

A. It's not. Stock shrinkage means your sales are up.
*B. Your workers may be stealing from you.
C. It causes your warehouse to overfill.
D. It has a bad effect on the store image.

DUTY: 080001H - SALES PROMOTION

H001: Which of the following is a type of newspaper advertising?

A. Display advertising
B. Classified advertising
C. Direct mail advertising
*D. Both A and B

H001: Which printed advertising media is known for superior color reproduction?

A. Newspaper
*B. Magazines
C. Direct-mail
D. Billboards

H002: ________________ are those in which the merchandise shown is not enclosed in a display case.

*A. Open display
B. Model display
C. Closed display
D. Point-of-purchase display

H002: For goods such as automobiles, farm equipment, and office machines, which type of display would be most appropriate?

A. Closed display
B. Open display
*C. Model display
D. You can't display these items

H003: Something given without charge with the purchase of a product is called:

A. Trading stamps
*B. Premiums
C. Product sample
D. Contests

H003: Promotion that offers a special price reducction to the buyer is known as:

*A. Price-oriented promotions
B. Sales-lead premiums
C. Container promotions
D. Sweepstakes

H004: To some customers the sales promotion dealing with the product is just important as the __________.

A. Price
B. Color
*C. Product
D. Service

H004: Sales promotion can help the employees to raise ________________ in their product area.

*A. Sales
B. Prices
C. Stress
D. Work loads

H005: Direct-mail advertising can be found in which form(s).

A. Letters
B. Postcards
C. House organ
*D. All of the above

H005: In most cases, network advertising is done by _______________ of goods and services marketed nationwide.

A. Retailers
*B. Manufacturers
C. Agents
D. Government sales

H006: Newspapers give information about local business to both the consumer and business person. (answer: true)

H006: Newspapers don't give good up-to-date information about competition because the ads need to be prepared so far in advance of its run time. (answer: false)

H007: When competition is strong between two or more businesses,

*A. Sales efforts and advertising may be intensified.
B. Sales efforts and advertising may be relaxes.
C. Radio and television advertising will be relaxed.
D. Television advertising is the only effort to be intensified.

H007: In low-key competition situations, the advertising effort is:

A. To perform the selling function
*B. Primarily intended to bring customers into the store
C. Relaxed or not present at all.
D. To replace all of the selling functions

H008: Which of the following would be good sources of promotional materials for the young businessperson to read?

A. Mail order firms
B. National magazine firms
C. Book purlishers
*D. All of the above

H008: Getting your name on a mailing list is a good way of receiving current promotional materials. (answer: true)

H009: The cost of advertising is based largely on the:

A. Types of media used
B. The number of people reached
C. The amount of space or time purchased
*D. All of the above

H009: What time of the day would be most expensive to advertise on television?

A. 9 a.m.
B. 1 a.m.
*C. 8 p.m.
D. 2 p.m.

H010: If you wanted to project an image of a "topflight establishment," your outside visual merchandising should be ________________.

A. Multi-colored
B. Bright and loud
*C. Elegantly styled
D. Soft colored

H010: An important part of the retail store front and retail image is the window display. Some retailers give this display credit for as much as ________________ of their business sales.

A. 1/4
*B. 1/3
C. 1/8
D. 1/16

H011: Which of the following IS NOT a basic rule concerning window displays.

A. They should maintain a clean, crisp appearance.
*B. Products shown should be of lower price lines.
C. They should be related to the store's advertising and promotion.
D. They should relate to the season.

H011: According to your reference book there are ________________ basic rules concerning window displays.

*A. 4
B. 3
C. 6
D. 8

H012: When designing a display, you should concern yourself with harmony. Harmony is a combining of which elements.

A. Shape
B. Size
C. Line
*D. All of the above

H012: The principle of ____________ involves the relationship of one item to another with respect to size.

A. Harmony
*B. Proportion
C. Rhythm
D. Balance

H013: It is to the manufacturer's advantage if the dealer can place a display at ______________ points in the store?

A. Check out
B. Exit
C. entrance
*D. Strategic

H013: Department and specialty stores use point-of-purchase displays to sell what types of items.

*A. Cosmetics and Hosiery
B. Hardware
C. Clothing
D. Canned goods

DUTY: 080001H - Selling

I001: Which of the following is a decision that the customer has to make.

A. Need decision
B. Product decision
C. Price decision
*D. All of the above

I001: Skillful retail salspeople, consciously or without realizing it, use the customers ________________ as a tool in analyzing their sales and servicing their customers needs and wants.

A. Feelings
*B. Buying decisions
C. Age
D. Sex

I002: When consumer purchases involve careful, calculated reasoning, they are based on:

A. Emotional buying motives
B. Patronage buying motives
*C. Rational buying motives
D. Irrational buying motives

I002: When consumer purchases involve feelings such as pride, comfort, and romance, they are based on:

A. Desire buying motives
*B. Emotional buying motives
C. Rational buying motives
D. Irrational buying motives

I003: Gathering and analyzing information about the prospect and using it to construct the sales presentation is called:

A. Prospecting
B. The approach
C. Planning
*D. The pre-approach

I003: ________________ is important in deciding when to approach the prospect.

*A. Timing
B. Pricing
C. Style
D. Cost

I004: Every product or service has certain features that will benefit the prospect. These features are known as:

A. Services
B. Product features
C. canned presentations
*D. Customer benefits

I004: The use of ____________________ gives salespeople an opportunity to dramatize the presentation of features and benefits of a product or service.

*A. Visual aids
B. Hearing aids
C. Other sales people
D. Canned presentations

I005: Objections say that the prospect is listening and is __________________ in the product.

A. Not interested
B. Unaware
*C. Interested
D. Both A and B

I005: Objections may be based on:

A. Fear
B. Uncertainty
C. Misunderstanding
*D. All of the above

I006: The _________________ is the completion of the sale.

*A. Close
B. Objection
C. Suggestion sell
D. Departure

I006: Sales people should avoid closing with a/an ___________________ Statement.

A. Soft
*B. Blunt
C. Abstract
D. Interesting

I007: Follow-up on the sale is important because:

A. No one can make all customers happy.
*B. The salesperson is interested in future sales.
C. The customer may still have objections.
D. You cannot close without a follow-up.

I007: The follow-up is only important if you make the sale. (answer: false)

I008: A ______________________ is a descriptive notebook of facts about a product.

A. Sales manual
B. Blue book
*C. Merchandise manual
D. Price book

I008: One of your BEST sources of product knowledge would be the:

A. Wholesaler
*B. Manufacturer
C. Customer
D. Manager

I009: To help the consumer buy intelligently, the packaging and labeling act covers most products sold in __________________.

A. Retail stores
B. Catalog stores
*C. Supermarkets
D. Import stores

I009: Many packages and their labels must conform to standards established by:

A. Local government
B. State government
C. Federal government
*D. All of the above

I010: Which of the following product features could be converted into selling points (customer benefits).

A. Fabric construction
B. A stand up collar on a jacket
C. Fleece lined pockets on a coat
*D. All of the above

I010: ____________________ can be organized in terms of the benefits (selling points) each customer finds most important.

A. Price
*B. Product features
C. Customer supply
D. Risk factors

I011: _________________ have been used in selling for a long time. It is an effective way to compare products with the competition and with customer satisfaction. Basically, they are recommendations from satisfied customers.

A. Empathy techniques
*B. Testimonials
C. Customer letters
D. Rap sheets

I011: When comparing your product to the competitions, it is a good idea not to make negative statements about the other products, but, make positive statements about yours. (answer: true)

I012: The ____________________ is an opening sentence or two that attempts to focus the customer's attention on some aspect of your company's merchandise.

*A. Merchandise approach
B. Salutation greeting
C. Service approach
D. Product greeting

I012: When suggesting advertised products, the customer expects the salesperson to know the merchandise. Which of the following facts should the salesperson know?

A. Advertised price
B. The location of the product in the store
C. The history and background of the product
*D. All of the above

I013: ____________________ is the selling of related or additional items along with those items the customer has already purchased.

A. Extras
B. Tack-on items
*C. Suggestion selling
D. Closing

I013: Suggestion selling:

A. Increases sales
B. Calls the customers attention to another needed item
C. Will cause the salesperson to lose more sales than he/she will make.
*D. Both A and B

I014: Trading up is related to ____________________.

A. Closing
*B. Suggestion selling
C. Handling
D. Presenting

I014: When you are trading up, it is very important to point out the additional ____________________.

A. Cost
B. Features
*C. Benefits
D. Services

I015: Retail salespeople who sell a particular product or line of products to customers at home or business are called:

A. Wholesale salespeople
*B. Specialty sales people
C. Manufacture sales people
D. Out-of-store salespeople

I015: Which of the following are customers ot the manucacturer's representative?

A. Government agencies
B. Retailers
C. Individual consumers
*D. All of the above

FUNDAMENTALS OF MARKETING CORE CURRICULUM

Test Items

June, 1989

Test items included in this test bank are keyed to the core curriculum by duty band and competency number.

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1988-1989

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FUNDAMENTALS OF MARKETING

DUTY: COMMUNICATIONS IN MARKETING

A001: Define feedback.

The first person to transmit information in the communication process is the:

A. receiver.
*B. sender.
C. communicator.
D. processor.

Feedback can best be described as:

A. static in telecommunication lines
*B. a response to a received message
C. the way in which a message is conveyed
D. the total communication process

Use the example below to answer the following questions concerning feedback.

Sally purchased a candy bar. She was very disappointed by the lack of freshness when she bit into the candy, so she decided to write a letter of complaint to the president of the company. When Mr. Horner received the letter, he passed it on to Cathy, who is in charge of processing customer complaints. Cathy mailed a letter of apology and a coupon for two free candy bars to Sally.

Was the total communications process complete?

*A. yes
B. no
C. there is not enough information to make this decision

_______________ is the sender and _______________ is the receiver in this example of communication.

A. Sally, Mr. Horner
*B. Sally, Cathy
C. Cathy, Sally
D. Mr. Horner, Sally

The ______________ was utilized as feedback in this example.

A. letter of complaint
B. letter of apology
C. coupon
*D. Both B and C
E. Both A and B

A002: List types of feedback.

The manager of a store called a meeting for all store employees. At the meeting, the manager stated that shoplifting was increasing and that the store's losses from shoplifting were getting too high. All employees were told to wait on customers promptly and to be more alert. The manager's feedback on shoplifting would be considered

A. external, positive.
B. internal, negative.
*C. external, negative.
D. internal, positive.

If feedback is going to be effective, then it must be verbal.

True False*

Non-verbal feedback can often be used more effectively than verbal feedback.

True False*

A003: Explain feedback effect on human behavior.

Feedback can be used by the sender to determine if the receiver understood the intended message.

True* False

A speaker's gestures and facial expressions will often tell you things that their words cannot convey.

True* False

Giving immediate feedback is the only way to ensure real understanding.

True False*

A004: Speak in a businesslike manner.

Which response below is most correct for speaking in a business-like manner?

A. That order of suits will be in any day now.
*B. The order of Halston suits will be delivered on November 3, 19__.
C. The shipment of Halston suits will be delivered shortly after Halloween.
D. The shipment of Halston suits are expected to be delivered by carrier during the day of November 3, 19__.

To be blunt or brief with someone is always a rude way of communicating in business.

True False*

Voice patterns are important because customers will judge salespeople by what they hear.

True* False

A005: Use proper listening skills.

Which of the following statements best describes the actions of passive listening?

A. casual listening
B. paying full attention to what is being said
C. paying partial attention to what is being said
*D. both A and C
E. both B and C

______________ is a block to effective communication.

A. Empathy
B. Sympathy
*C. Prejudice
D. Listening

_______________ is the ability to put yourself in another person's position and understand their point of view.

*A. Empathy
B. Sympathy
C. Prejudice
D. Communication

Pam and Sherry were talking between classes when the principal announced that classes would be dismissed because of the stormy weather. The girls missed their buses because they did not observe which of the following basic steps of listening?

A. Prepare to listen
B. Have an open mind
*C. Listen carefully
D. Listen with empathy

A006: Use the telephone in a businesslike manner.

When answering the telephone on a job, it's polite but not necessary for you to identify yourself.

True False*

Answering the phone promptly creates an impression of:

A. efficiency
B. confidence
C. welcoming the caller
*D. all of the above

When taking telephone orders, salespeople should:

A. try to sell related merchandise
B. write down all information word-for-word
C. repeat the order to the customer
*D. both A and C
E. all of the above

A007: Use body language to help convey feelings in spoken communication.

______________ can often be interpreted as disapproval or disinterest in what is being communicated.

A. Leaning forward
B. Nodding head
*C. Crossing arms
D. Smiling

The way in which a person walks can communicate feelings or emotions.

True* False

Nonverbal behaviors often contradict the verbal message.

True* False

A008: Read and understand written communications.

______________ is a technique of reading which involves reading at a very rapid pace.

A. Skimming
B. Scanning
C. Intense reading
*D. Both A and B
E. Both A and C

The goals of ______________ are to understand and retain nearly all that has been read.

A. Skimming
B. Scanning
*C. Intense reading
B. Selective reading

Improved reading skills can be an important factor in getting a better job.

True* False

A009: Complete letters, forms, reports, and memorandums.

"Dear Mr. Baker" is an example of the:

A. complimentary opening
*B. salutation
C. greeting
D. attention line

The body of a business letter should be written from the __________ viewpoint.

A. writer's
B. editor's
*C. reader's
D. sender's

A store manager has received written reports from each department. Which section of each report includes a background statement, the purpose of the report, and how data was collected?

*A. Introduction
B. Body
C. Summary
D. Conclusion and Recommendations

A010: Describe the importance of reading current business news media.

Studying the advertising and promotional strategies described in magazines and trade journals could supply valuable ideas for the development of your own promotional materials.

True*   False

It is important to keep abreast of current business news because:

A. of competitor's activities.
B. government intervention in an industry.
C. new technological breakthroughs.
*D. all of the above

How can businesses use suppliers' materials such as manufacturer's brochures, salesletters, and pamphlets?

A. To inform customers of manufacturer's games and contests
B. To inform customers of new products
C. To inform customers of new product uses
*D. All of the above

DUTY: ECONOMICS AND MARKETING

B001: Identify statements that best describe marketing.

Planning, pricing, promoting, and distributing are activities which describe:

A. advertising
*B. marketing
C. retailing
D. selling

Consumers purchase products and services, while customers actually use them.

True False*

Determining the needs and wants of customers and supplying the goods and services describes duties performed in:

A. advertising
*B. marketing
C. retailing
D. selling

The four major activities that make up the marketing process are:

*A. planning, pricing, promoting, and distributing.
B. identification, production, distribution, and consumption.
C. research, production, promotion, and comsumption.
D. manufacturing, promotion, distribution, and consumption.

B002: Explain the importance of marketing in our economy.

The general role of marketing in our private enterprise system is to coordinate

*A. production and consumption.
B. selling and distribution.
C. production and pricing.
D. government and business.

A vital part that contributes to successful marketing in the private enterprise system is

A. a monopoly.
*B. free competition.
C. the producer.
D. government control.

Marketers in a private free enterprise system must be able to balance freedon of ownership, risk, ____________, and ____________.

A. lawsuits, production.
B. GNP, profit.
*C. competition, profit.
D. capital, labor.

B003: Recognize that economic goods are the products and the services offered to meet consumer needs and wants.

Economic value is most often expressed in terms of:

*A. price
B. resale value
C. profit
D. utility

When a product is able to satisfy a human need or want, then it has:

A. a high price.
B. high demand.
*C. utility.
D. high quality.

Economic goods have utility and require human effort in order to bring them to market.

True* False

B004: Define economics as a process.

Economics attempts to

A. expand the role of welfare in the U.S.
*B. satisfy human wants and needs.
C. decrease the public debt.
D. increase the value of goods and services.

A short term decline in the Gross National Product best describes:

*A. recession
B. depression
C. inflation
D. deflation

The amount of goods and services that can be produced is limited by the amount of:

*A. resources
B. government spending
C. human wants
D. competition

______________ is the study of how scarce resources are organized and used to satisfy unlimited human wants.

A. Capitalism
B. Marketing
*C. Economics
D. Ecology

B005: Identify economic activities.

When business operations and procedures become more efficient and economical

A. monopolies are created to give certain businesses a greater share of the market.
B. consumer prices are raised in order to increase profits.
C. more machines are needed to produce finished products.
*D. consumers are able to buy better products at lower prices.

Cost, appeal, competition, supply and demand are important elements to consider when establishing:

A. break-even point
B. market share
C. production flow
*D. price

Deciding how to produce goods effectively while making the best use of resources is an important economic activity.

True* False

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B006: Explain the importance of economics.

Economics deal with the problem of satisfying unlimited human wants with limited:

A. government spending
B. government regulation
*C. economic resources
D. goods and services

A nation's ______________ decides how to gain the greatest amount of benefits from resources.

A. standard of living
B. gross national product
*C. economy
D. national charter

Without a(n) ______________ , scarce resources would have a greater chance of becoming non-existent.

A. government
B. national charter
C. private enterprise system
*D. economic system

B007: Identify three major types of economic resources.

Land, labor, and capital are the necessary ingredients of:

*A. production
B. private enterprise system
C. gross national product
D. ownership

An example of an economic resource is:

A. aircraft
*B. land
C. computers
D. warehouses

Land, labor, and transportation are the three major types of economic resources.

True False*

B008: Identify examples of economic resources according to major type.

An example of a labor resource is:

A. lakes.
*B. a carpenter.
C. buildings.
D. none of the above

An example of capital is:

A. business managers.
B. salespersons.
C. oil.
*D. industrial equipment.

A major economic resource that is man-made and is used to produce and sell other economic goods and services is

*A. capital.
B. equipment.
C. tools.
D. land and other natural resources.

_______________ refers to the people who contribute skills and talents to production.

A. Union
*B. Labor
C. Employment service
D. Employment association

B009: Explain the meaning of private free enterprise.

In the private enterprise system, most of the businesses are owned by:

*A. individuals
B. the government
C. the bank
D. international investors

In private free enterprise, marketers are free from government control.

True False*

_______________ is an important part of private free enterprise because it accounts for the constant improvement in goods and services.

A. Capital
B. Profit
*C. Competition
D. Risk

What is "private enterprise"?

A. A system in which a national planning board assumes total responsibility for the production and distribution of goods and services.
*B. A system in which individuals own both major industries and consumer goods.
C. A system in which the government owns major industries and individuals own consumer goods.
D. A system in which the government owns major industries as well as all consumer goods.

B010: Describe the different types of business ownership.

A _______________ is a business owned by people or small businesses who join together to buy and/or sell goods in large quantities.

A. sole proprietorship
B. partnership
C. corporation
*D. cooperative

In a _______________ , stocks are sold to many owners who finance the business and are paid some of its profits.

A. sole proprietorship
B. partnership
*C. corporation
D. cooperative

In terms of sales volume, the most common form of business ownership in a capitalist economic system is the

*A. sole proprietorship.
B. partnership.
C. corporation.
D. cooperative.

A _______________ is a business owned by two or more people who share equally in the liabilities of the business.

A. sole proprietorship
*B. partnership
C. corporation
D. cooperative

B011: Compare and contrast the three major economic systems.

Which economic system depends partially on the government to control the use of important economic resources?

A. capitalism
*B. socialism
C. communism

Which economic system allows people to make their own decisions?

*A. capitalism
B. socialism
C. communism

Which economic system allows individuals the least economic freedoms?

A. capitalism
B. socialism
*C. communism

The private enterprise system is also known as:

*A. capitalism
B. socialism
C. communism

In _______________ , all industries and resources are owned by the government.

A. capitalism
B. socialism
*C. communism

B012: Identify the characteristics and values of capitalistic, socialistic, and communistic economic systems.

Education, health care, public transportation, and housing are offered free or at greatly reduced costs in a socialist system.

True* False

America's economic system in which resources and businesses are owned by private individuals or groups is called

*A. capitalism.
B. socialism.
C. communism.
D. none of the above

In socialistic countries, those people who are unable to work are

A. assigned jobs.
B. forced to leave the country.
C. placed in detention facilities.
*D. provided for by the government.

B013: Define profit.

Profit is money left after paying

A. salaries.
*B. all expenses.
C. for goods.
D. operating expenses.

The difference between the selling price of an item and its costs to the business is called:

A. net profit.
B. true profit.
C. income.
*D. gross profit.

Successful marketers know that ____________________ and satisfying the needs of customers are related goals.

*A. making a profit
B. eliminating risk
C. eliminating competition
D. minimizing investment

B014: Identify elements that need to be accounted for before a profit can be made.

_______________ is an important element that needs to be accounted for before a profit can be made.

A. Sales income
B. Business expenses
C. Capital investment
*D. Both A and B
E. Both B and C

_______________ must be deducted from sales income before a profit can be realized.

A. Administrative overhead
B. Employee wages
*C. Business expenses
D. Promotional costs

A profit can still be realized when expenses exceed sales income.

True False*

B015: Explain why profit is an essential part of the private free enterprise system.

Without the __________ __________, many people would not risk starting a business.

A. sales motive
*B. profit motive
C. customer pressure
D. business flair

__________ __________ is an essential part of the private enterprise system because it is the driving force behind our economy.

*A. Profit motive
B. Risk undertaking
C. Competition pressure
D. Customer satisfaction

B016: Define supply and demand.

_______________ is an/are important factor(s) that affects the supply of a product.

A. Price and profit expectation
B. Production costs
C. Number of sellers
*D. All of the above

_______________ is an/are important factor(s) that affects the demand for a product.

A. Consumer price expectations
B. Number of consumers
C. Consumer income
*D. All of the above

As the price of a product increases, more producers enter the market and the supply of that product increases.

True* False

The Law of Demand is: As the price of a product increases, the demand for that product increases.

True False*

B017: Distinguish between buyer's and seller's markets.

When the supply exceeds the demand for a product, a/an ____________ market exists.

*A. buyer's
B. seller's
C. stock
D. economic

When the demand exceeds the supply of a product, a/an ____________ market exists.

A. buyer's
*B. seller's
C. stock
D. economic

A buyer's market is one in which the demand exceeds the supply of a product.

True False*

A seller's market is one in which the supply exceeds the demand for a product.

True False*

B018: Describe the influences and interactions of supply and demand.

As the ______________ of a product increases, the price will usually increase.

A. competition
B. appeal
C. supply
*D. demand

As the ______________ of a product increases, the price will usually decrease.

A. competition
B. appeal
*C. supply
D. demand

As the price of a product increases, the ______________ will usually decrease.

A. competition
B. appeal
C. supply
*D. demand

As the price of a product increases, the ______________ will usually increase.

A. competition
B. appeal
*C. supply
D. demand

B019: Identify that the market price of a product is based on what a customer is willing to give and what a seller is willing to take.

Often customers are influenced by price when evaluating the ______________ of a product or service.

*A. quality
B. utility
C. color
D. none of the above

When making changes in price, a marketer should carefully monitor the reactions of:

A. customers
B. employees
C. competitors
*D. both A and C
E. both B and C

______________ is the first measure of the value of a product or service.

*A. Price
B. Resale value
C. Profit
D. Utility

"Market price" can best be defined as:

A. the amount of satisfaction a product provides a consumer.
B. the monies the seller must spend in order to make a product.
*C. the amount for which an item sells in the competitive market place.
D. the price at which customers will buy the same amount that producers will supply.

B020: Identify the effects of competition on buyers and sellers.

Marketing strategies include competition by creating differences in _______________.

A. price
B. products or services
C. sales promotions
*D. all of the above

Identify the term that best describes the term "competition."

A. A large number of producers who sell different products.
B. A form of business ownership.
*C. Rivalry between two or more businesses which offer similiar products/services in order to attract customers.
D. A situation in which there is only one supplier of a product/service.

Some consumers believe that a product that sells at a lower price must be inferior in some way.

True* False

B021: Explain why competition is important to the successful functioning of a private free enterprise system.

In private free enterprise, _______________ allows consumers freedom of choice.

A. ownership
*B. competition
C. risk
D. profit

Competition ensures that businesses will offer _______________ to consumers.

A. wide selections
B. quality
C. fair prices
*D. all of the above

______________ forces businesses to continually improve the quality of goods and services offered to consumers.

A. risk
B. profit
*C. competition
D. ownership

B022: Define marketing functions.

The marketing function which involves the matching and satisfying of customer wants and needs with products or services is called

A. buying.
B. prospecting.
*C. selling.
D. market research.

The ______________ is concerned with fulfilling the needs of customers while earning a profit.

A. marketing mix
*B. marketing concept
C. human factor
D. profit concept

Financing the operations of a business and seeking ways to minimize risk fall into the category of:

A. exchange activities.
B. physical distribution activities.
*C. facilitating activities.
D. profit activities.

______________ activities include finding customers, meeting competition, and setting prices.

*A. Exchange
B. Distribution
C. Facilitating
D. Profit

B023: Explain the functions involved in marketing products and services.

Product, price, place, and promotion make up the:

A. marketing concept.
*B. marketing mix.
C. management concept.
D. profit concept.

What is the core of a company's marketing system?

A. promotion
B. product
C. price
*D. marketing mix

To determine the most effective marketing mix, marketers must focus on the:

A. product.
B. financial resources.
*C. customer.
D. competition.

B024: Define the meaning of a market for a product.

All potential customers for goods and services sold for personal use represent the:

A. product market.
*B. consumer market.
C. industrial market.
D. target market.

A market can best be described as:

*A. all the potential customers for a product.
B. the size and characteristics of the population.
C. the amount of money people have to spend.
D. the people who spend money.

The consumer market is constantly changing.

True* False

B025: Describe how a market for a product can be identified.

_______________ is the study of population patterns.

A. Migration
B. Psychology
*C. Demography
D. Sociology

Marketing planners seek information on population, income, and spending patterns to help them develop and sell the goods and services needed by society.

True* False

A market for a product is composed of people with

*A. something in common.
B. different wants and needs.
C. different characteristics.
D. dissimilar characteristics.

B026: Identify demographic characteristics that would compose market segments for particular products.

_______________ is the division of a total market into groups based on such things as income level, sex, or age.

A. Market discrimination
*B. Market segmentation
C. Consumer segmentation
D. Consumer market

A _______________ is a social unit that consists of one or more people , who may or may not be related, living together.

A. cohabitant
B. family
*C. household
D. dwelling place

In general, the population is moving toward the:

A. central part of the country.
*B. sunbelt states.
C. coastal regions.
D. northern areas.

B027: Define channel of distribution:

_______________ describes the path of ownership for a product as it makes its way to the consumer or industrial user.

*A. Distribution channel
B. Retail chain
C. Channel of ownership
D. Distribution sequence

Who is always at the beginning of the channel of distribution?

*A. Manufacturers
B. Wholesalers
C. Agents
D. Suppliers

A channel of distribution would cease to exist without the use of middlemen.

True False*

B028: Describe two basic types of distribution.

The _______________ channel of distribution ensures that middlemen are busy at work.

A. consumer
B. industrial
C. direct
*D. indirect

In general, channels of distribution for consumer products are the same as those used for industrial products.

True False*

The _______________ channel is used if the services of middlemen are not utilized.

A. consumer
B. industrial
*C. direct
D. indirect

B029: Describe the functions performed by channel intermediaries.

Which of the following middlemen holds title to goods?

A. agent
*B. merchant wholesaler
C. broker
D. all of the above

Which of the following middlemen acts for buyers or suppliers and arrange for the sales?

*A. agent
B. merchant wholesaler
C. wholesaler
D. retailer

Which of the following functions can be performed by channel intermediaries?

A. Buying
B. Financing
C. Promoting
*D. All of the above

B030: Explain the meaning of integrated distribution.

Which form of distribution allows the manufacturer the greatest amount of control over the marketing of a product?

A. exclusive distribution
B. selective distribution
C. intensive distribution
*D. integrated distribution

A disadvantage of integrated distribution is:

A. product selection is limited to one brand.
B. products usually sell at prices set at the factory.
C. manufacturers can control selling techniques.
*D. both A and B

Integrated distribution is the practice of employing a single middleman to distribute the product in one geographic area.

True False*

B031: Define gross national product.

The ______________ is the total value of the final goods and services produced in the nation over a specified period of time.

*A. gross national product
B. gross net product
C. standard of living
D. national economic value

Which of the following factors affect the gross national product of the U.S.?

A. Productivity of workers
B. Technological advances
*C. All of the answers are correct
D. Increases in the labor force

If a nation's per capita GNP is high, its people will have more goods and services at their disposal and therefore will enjoy a higher standard of living.

True* False

B032: Identify components of GNP calculations.

Goods that are produced in other countries and sold in this country are called:

*A. imports.
B. exports.
C. contraband.
D. trade deficit.

Which of the following components is used to calculate GNP?

A. Stocks and bonds
*B. Consumer spending
C. Raw materials
D. Depreciated merchandise

The total value of goods and services produced in the nation is known as:

A. Net National Product.
*B. Gross National Product.
C. Standard National Product.
D. Captial National Product.

B033: Explain why the U.S. GNP has continued to grow.

People in this country have the freedom to make the kinds of political and business decisions that can encourage a high GNP.

True* False

GNP is affected by advances in technology.

True* False

During a recession GNP will continue to grow.

True False*

DUTY: EMPLOYMENT AND ADVANCEMENT

C001: Identify personal occupational requirements.

________________ include knowledge, skills, and the right personal attitudes.

*A. Job competencies
B. Social competencies
C. Marketing competencies
D. Basic skill competencies

Which of the following competencies represents the ability to give and receive information?

A. social
B. marketing
C. technology
*D. basic skills
E. economic

Which competency represents the ability to keep up with changes in products and services?

A. social
B. marketing
*C. technology
D. basic skills
E. economic

The ability to create and maintain a favorable image impression and work well with others is covered under which competency?

*A. social
B. marketing
C. technology
D. basic skills
E. economic

C002: Describe entry-level marketing jobs available in most communities.

Which of the following is an entry-level marketing position found in the marketing industry?

A. salesperson in a department store
B. cashier-clerk at a grocery store
C. front-desk clerk at a hotel
*D. all of the above

Sales clerks, cashiers, and stock persons are common entry-level positions found in the ______________ industry.

*A. retail
B. hotel
C. food service
D. advertising

In what department do store personnel work who are responsible for sending out billing statements?

*A. Customer credit department
B. Display department
C. Sales support department
D. Telephone sales department

C003: Identify possible advancement patterns.

Many companies will try to place present employees in positions of responsibility rather than hiring from the outside, this is commonly referred to as:

A. succession planning.
*B. promotion from within.
C. affirmative action.
D. power of seniority.

When a company promotes from within, employees must compete with ______________ for increases and promotions.

A. applicants
B. management
*C. co-workers
D. none of the above

A person could advance his/her marketing career in a business by advancing from salesperson to department manager to buyer. To be successful, a person needs persistance and initiative. Whenever possible, employees with initiative will try to ___________ other jobs within the business.

A. obtain
B. avoid
*C. learn
D. supervise

C004: Identify a tentative marketing occupational interest.

Career goals are flexible, and people may change them several times during their lives.

True* False

A person's family and education has little influence on his/her career preparation.

True False*

Along with analyzing your interests and abilities, you must also ________________ when preparing for a career in marketing.

A. recognize the required competencies
B. explore career opportunities
C. market your interests and abilities
*D. all of the above

C005: Develop a confident attitude toward participating in an employment interview.

When participating in an employment interview, it is best to arrive:

*A. a few minutes before your scheduled time.
B. on time.
C. a few minutes past your scheduled time.
D. with a friend or relative.

You should bring ________________ with you to a job interview.

A. additional copies of your resume
B. a list of references with addresses and telephone numbers
C. pen and paper
*D. all of the above

Past employers and relatives are good choices to use for personal references.

True False*

Often you can make a good impression by making yourself knowledgeable about the companies products, services, or operations in advance of the interview.

True* False

C006: Meet the standards of appearance and behavior required for the interview.

When dressing for an interview, one should:

*A. limit the amount of jewelry worn.
B. wear jewelry that is bound to gain attention.
C. wear only fine quality gold.
D. wear layers of jewelry in a stylish manner.

When responding to questions asked by an interviewer, _____________.

A. answer the questions briefly
*B. answer the questions fully
C. lie if you feel the need
D. talk about yourself a lot

It is beneficial to visit a potential employer to determine how present employees are dressed prior to the interview date.

True* False

C007: Complete a personal resume.

Which of the following information is optional on a resume?

A. name and address
B. experience
C. education
*D. personal information

The _______________ should provide complete details about your education and experience.

A. cover letter
B. letter of application
*C. resume
D. letter of inquiry

If ther is only one typing error in your resume, then the resume would be considered as acceptable.

True False*

C008: Complete employment application forms for marketing employment.

_______________ are often used by the payroll office to complete your employment records.

A. cover letters
B. letters of application
C. resumes
*D. applications

It is critical that all information placed on an application is an honest representation of you.

True* False

Carefully following directions on an application is time consuming and unnecessary since all applications contain the same questions.

True False*

C009: Recognize the purposes and types of employment tests and general guidelines for taking them.

Employment tests are one way to ensure that the applicant is not over-qualified for the position.

True* False

Employers give employment tests to:

A. select qualified applicants.
B. obtain additional information.
C. identify "promotable" individuals.
*D. all of the above

The person's score on psychological tests are compared to other employees in the business to check for compatability among employees.

True*   False

C010: Complete a personal interview and follow-up.

If a personal interview ends with the applicant getting the job, the applicant should:

A. ask where and when to report to work.
B. thank the interviewer.
C. leave immediately.
*D. both A and B

A thank you letter or a follow-up telephone call demonstrates interest in the job and keeps one's name in the mind of an employer.

True*   False

If an applicant isn't sure whether or not a particular position will meet their personal requirements after being interviewed, then it is acceptable to take the job and then fail to report to work.

True   False*

Even if you aren't qualified for a job and the interviewer turns you down, you should express thanks for being interviewed.

True*   False

C011: Explain the importance of rules and regulations in a business.

A pricing policy should reflect the value which customers expect to receive and the image you wish to establish.

True*   False

Store policies are established rules or guides that employees are expected to follow in the daily operation of the business.

True*   False

Enforcement of store policies results in:

A. less confusion and disagreement among employees.
B. loyalty to the employer.
C. increased job satisfaction.
*D. all of the above

C012: Describe desirable work habits.

_______________ means that the employee respects the employer and maintains confidentiality.

A. Honesty
B. Cooperation
*C. Loyalty
D. Initiative

_______________ demonstates the ability to get along well with coworkers, supervisors, and customers.

A. Empathy
*B. Cooperation
C. Loyalty
D. Initiative

Looking for more work when you run out of things to do is a demonstration of:

A. honesty.
B. cooperation.
C. loyalty.
*D. initiative.

C013: Explain gross pay and net pay.

_______________ is deducted from gross pay.

A. Social security tax
B. Federal income tax
C. Overtime
*D. Both A and B

Which of the following deductions is mandatory by federal regulations?

A. hospitilization
*B. social security
C. contributions to charity
D. pension fund

Total deductions are subtracted from total earnings to obtain the:

*A. net pay.
B. gross pay.
C. base pay.
D. base salary.

C014: Identify ways of tying school and work experiences together.

DECA is a way for marketing students to gain actual experience in applying marketing competencies.

True* False

The purpose of the marketing internship program is to allow students to:

A. go to school half a day.
B. receive part-time vocational instruction.
C. receive on-the-job training.
D. both A and C
*E. both B and C

Interviewing your supervisor or a local business owner regarding local marketing trends is a way of tying school and work experiences together.

True* False

DUTY: HUMAN RELATIONS IN MARKETING

D001: Define human relations.

_______________ is the art of getting along with others.

*A. Human relations
B. Human behavior
C. Human interaction
D. Psychology

Human relations is more a science than an art.

True False*

As an art, human relations consists of a broad range of ideas or principles instead of a set of established facts.

True* False

D002: Identify the prominent human relationships in marketing businesses.

The goal of human relations in marketing is to:

A. gain the cooperation of others.
B. increase production through people.
C. achieve satisfaction from working.
*D. all of the above

What is the major reason that people lose their jobs?

A. They lack technical knowledge
*B. They are not able to get along well with others
C. They cannot carry out job tasks
D. None of the above

Studies indicate that people lose their jobs more often because they fail to get along with others than because they are unable to do the job.

True* False

D003: Identify the importance of self-understanding in establishing effective human relationships.

Every human being lives in a constant state of:

A. anxiety.
*B. change.
C. distress.
D. understanding.

After you have completed a self-appraisal, the next step is to:

A. evaluate your personality.
*B. analyze your evaluation.
C. develop a plan of action.
D. start making changes.

Start with the traits that are the most difficult to improve when changing your personality.

True False*

Any personality trait can be changed easily with true desire.

True False*

D004: Analyze personal interests, aptitudes, traits, abilities, and attitudes.

_______________, is the desire to achieve and succeed and is an important trait to possess.

*A. Motivation
B. Self-control
C. Loyalty
D. Enthusiasm

A feeling or desire, such as love, hate, fear, anger, pride, or worry is:

A. a trait.
*B. an emotion.
C. self-confidence.
D. an attitude.

The ability to learn or understand from past experience and to acquire and retain knowledge is known as:

A. self-confidence.
*B. intelligence.
C. evaluation.
D. prestige.

D005: Identify personal strengths and weaknesses.

Center your attention on the qualities desired by employers when identifying personal strengths and weaknesses.

True* False

Once you have analyzed your strengths and weaknesses, you must accept the fact that your personality can be improved.

True* False

An _______________ is an ability, capacity, or talent.

*A. aptitude
B. attitude
C. emotion
D. interest

D006: Describe the importance of a positive self-image.

A person must experience a series of successes to develop a feeling of:

A. professionalism.
*B. self-confidence.
C. prestige.
D. maturity.

To be effective, you must be able to __________ your human relations skills when confronted with different circumstances.

*A. adapt
B. defend
C. repress
D. sacrifice

Self-concept includes your perceptions of your

A. special abilities.
B. traits.
C. life roles.
*D. all of the above

D007: Identify resources for self-understanding.

Your own evaluation of your personality is called:

A. self-understanding.
B. self-observation.
*C. self-appraisal.
D. internal appraisal.

If your job duties seem vague or unclear, you should

A. conceal your ignorance as long as possible.
*B. seek clarification from your supervisor.
C. seek support from your co-worker.
D. submit your resignation.

Which of the following sources would be a resource for understanding job descriptions.

A. Dictionary of Occupational Titles
B. Encyclopedia of Careers
C. Vocational Guidance
*D. all of the above

D008: Develop a plan of short and long-term goals.

If your goals are set too high, it is likely that you will:

*A. become discouraged.
B. gain encouragement.
C. enjoy the challenge.

_______________ provide a plan of action for achievement.

A. Maps
B. Evaluations
*C. Goals

When planning for achievement a person must:

A. set long-term goals.
B. set short-term goals.
C. plan to achieve goals.
*D. all of the above

D009: Develop harmonious professional relationships with co-workers, supervisors, and managers.

Not working as a team can result in:

A. hard feelings among team members.
B. individual achievement.
C. a lack of customer confidence.
*D. both A and C

Co-workers, supervisors, and customers are:

*A. interdependent.
B. independent.
C. counter dependent.
D. interrelated.

Harmonious on-the-job relationships help make a business run smoothly and create a pleasant atmosphere for the people who work there.

True* False

D010: Develop relationships with customers that will favorably represent a business.

The development of employee pride in the business helps

*A. reduce employee turnover.
B. reduce the necessity for empoyee promotion.
C. increase absenteeism.
D. increase lack of confidence.

The major value of consumer advisory boards is that they are:

A. making shopping easier for customers.
B. helping create marketing policies.
*C. sources of marketing research information.
D. profitable to the store.

Which of the following items contributes to enthusiasm for others?

A. Being self-centered
B. Pretending
C. Being indifferent
*D. Desiring to help

DUTY: MARKETING OPERATIONS

E001: Perform addition and subtraction applications in marketing.

What is the difference between the following numbers?

482
197

*A. 285
B. 295
C. 579
D. 679

What is the sum of the following column of numbers?

$ 53.19
26.78
69.69
42.16

A. $180.73
B. $181.72
C. $190.83
*D. $191.82

As part of your employment test at a business, you have been asked to add the columns of figures and identify the correct answers.

1)	2)
$ 24.95	$ 95.67
16.79	86.99
14.54	23.44
9.72	37.65
105.36	25.74
55.10	68.28
18.92	114.57
68.28	38.52
79.75	9.68
84.97	15.79
64.87	48.76

A. $443.29, $565.07
B. $443.25, $565.07
C. $543.26, $465.09
*D. $543.25, $565.09

E002: Perform multiplication and division applications in marketing.

A sales check indicates the following:
4 items at $1.29
Identify the amount of the purchase (excluding sales tax).

A. $ .33
B. $ .34
C. $5.00
*D. $5.16

What is the quotient of the following division problem?
$982 divided by 8

A. $ .75
B. 8
*C. $122.75
D. $982

What is the minimum monthly payment on merchandise purchased on a 12-month contract when the beginning balance of the account is $849.85?

A. $68.02
*B. $70.82
C. $78.02
D. $60.82

E003: Perform fraction and percentage applications in marketing.

What is the sum of the following fractions?
5/12 + 3/12 + 3/12 =

A. 10/12
B. 9/12
*C. 11/12
D. 1/2

Solve the following problem dealing with percents. Round to two decimal places.
16 is what percent of 82?

A. 18%
*B. 19.51%
C. 19.52%
D. 50%

Solve the following problem dealing with percents. Round to two decimal places.

42 is 90% of what number?

A. 47.78
B. 48.65
*C. 46.67
D. 45.68

What percentage is 4/9?

A. 33%
*B. 44%
C. 66%
D. 77%

E004: Calculate correct prices of products or services and total amounts of purchases.

You are purchasing 2 1/2 yards of material at $4.50 per yard. What is the total price before taxes?

A. $9.25
B. $10.25
*C. $11.25
D. $10.75

Your are purchasing 3/4 of an ounce of chocolate at $.80 an ounce. What is the price before taxes?

A. $.20
B. $.40
*C. $.60
D. $.30

Your are buying a pound and one-half of cookies that sell for $2.40 per pound. What is the price before taxes?

A. $3.40
*B. $3.60
C. $3.00
D. $3.80

E005: Handle various types of payment for purchases.

Using the least number of coins and bills, calculate the denominations of the change a customer would receive if the amount of the sale was $9.52 and the customer gave you a $20.00 bill.

A. 3 pennies, 2 quarters, and one $10 bill
*B. 3 pennies, 2 dimes, 1 quarter and one $10 bill
C. 2 pennies, 2 dimes and one $10 bill
D. 2 pennies, 3 dimes, 1 quarter and one $10 bill

If a customer presents a manufacturers coupon for a free item of merchandise when they purchase a related item, this is known as what type of coupon?

*A. Vendor coupon
B. Store coupon
C. Cash coupon
D. None of the above

Companies which issue their own credit cards have either invalid lists or toll free telephone numbers by which businesses verify charge card numbers. What is the purpose of such a check?

A. To avoid getting authorization from the credit department.
B. To assist in computing the total sale.
*C. To determine if the card has been lost, stolen or expired.
D. None of the above

E006: Handle returns for exchange, cash refunds, or charge credit.

When a customer making a return has a charge account, the full cost or a set percentage of the cost of the merchandise returned may be credited to their account.

True* False

A merchandise certificate or scrip coupon that can be used instead of cash for the purchase of merchandise is a:

*A. due bill.
B. credit refund.
C. exchange refund.
D. coupons.

Carol purchased a picture from a business that has a money back guarantee. When she got it home she noticed it was defective. She can expect what kind of exchange when she takes it back to the business?

A. credit refund
B. due bill
*C. cash refund
D. even exchange

E007: Handle COD and layaway sales transactions.

Angie has been making payments on a stereo for three (3) months. She is on her way to make her final payment and take her stereo home. She has been using:

A. credit sales.
B. COD.
C. charge sales.
*D. layaway.

Usually, a COD sale will be handled when customers

A. are shopping in the store.
B. purchase a large number of goods at the same time.
*C. order goods by telephone or mail.
D. are offered special trade credit discounts.

An item of merchandise is being sent to a customer. Calculate the total due for the following COD transaction.

Selling price of merchandise $25.00
Sales Tax Rate: 4%
Postage Charge: $1.00
COD Charge: $1.00

A. $29.00
*B. $28.00
C. $26.00
D. $27.00

E008: Explain importance of inventory control.

In recent years careful inventory controls have become more important than ever.

True* False

As an employee of a local retail business, you have assisted in the store's yearly inventory. If the physical inventory is less than the book inventory, it is called a(n):

A. overage.
B. right.
C. even.
*D. shortage.

The system of record keeping that shows a retailer what he/she has on hand is:

*A. inventory.
B. buying plan.
C. merchandise plan.
D. pricing policy.

E009: Explain the term perpetual inventory.

Sherri owns a high fashion dress boutique. She needs to keep inventory records daily. She uses what type of system?

A. physical
B. book
*C. perpetual
D. dollar

A perpetual inventory is when each item is hand counted.

True False*

The last physical inventory showed that 97 shoes, size 8, were on hand. Since then 5 were sold one week, 10 another and 12 another week. The perpetual inventory should show how many on hand?

A. 84
*B. 70
C. 62
D. 75

E010: Explain the procedures of a physical inventory.

Physical inventories can be the most inexpensive and easiest to take.

True False*

A preinventory is taken to:

A. insure physical inventory is correct.
B. obtain information for ordering.
*C. prepare for sales to reduce stock.
D. all of the above

A physical inventory can be taken:

A. once a year.
B. once a month.
C. once a week.
*D. all of the above

E011: Explain the importance of pricing.

Price is important in determining profits for the marketer.

True* False

When the price of a product is high, consumer demand will usually be

A. unchanged.
*B. low.
C. high.
D. about average.

If an item is priced too low, the customer may perceive the product as inferior.

True* False

E012: Define the terminology used in pricing.

Laura is planning to buy a new car. She is very good at negotiating and is planning to get a good trade-in allowance on her old car. She is looking for a dealer that has:

A. one price policy.
*B. variable-price policy.
C. price line policy.
D. special price policy.

The difference between the cost of the merchandise and the actual price at which it is sold, and may include markdowns is:

A. original markup.
B. cumulative markup.
*C. maintained markup.
D. initial markup.

The difference between the cost of an item and its retail selling price is called

A. mark on.
B. markdown.
C. markup.
*D. A and C

E013: Calculate mark-up and mark-downs.

An item is marked $119.00. The store is offering a 40% discount. What is the price of the item?

A. $47.70
*B. $71.40
C. $82.20
D. $57.70

If the retail price of a product is $50 and the mark-up is $20, the mark-up percentage based on the cost of the merchandise is:

A. 40%
*B. 66.7%
C. 60%
D. 16.7%

Eric was shopping for a new sweater and found a rack of them on sale. The regular marked price was $45.00 and the sale price was $15.00. What was the percentage of markdown on retail?

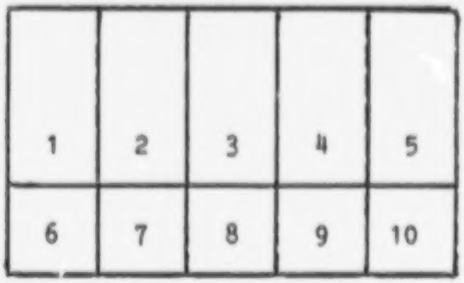
A. 40%
*B. 66 2/3%
C. 75%
D. 67%

E014: Arrange currency and coin in cash drawer.

In arranging currency and coins in a cash drawer, the smallest denomiation(s) of cash and coin should be placed in

*A. the right hand compartments.
B. the left hand compartments.
C. either the right or left hand compartments.
D. none of the above

Utilizing the illustration below, answer the following questions.



In which compartment of the cash drawer should a clerk put $5.00 bills?

A. Compartment labeled #1
B. Compartment labeled #3
*C. Compartment labeled #4
D. Compartment labeled #5

In which compartment of the cash drawer should the clerk put quarters?

*A. Compartment labeled #7
B. Compartment labeled #8
C. Compartment labeled #9
D. Compartment labeled #10

E015: Maintain proper amount of cash in appropriate denominations in cash drawer.

When you proved your cash at the end of your shift the day before, you counted it very carefully. Therefore you do not have to count it again today.

True False*

The change placed in the register at the beginning of each day is called the:

A. cash fund.
*B. change fund.
C. buying change.
D. account change.

Converting bills into change for your cash drawer is called:

A. cash closing.
*B. buying change.
C. selling change.
D. fund exchange.

E016: Balance cash drawer against cash register reading.

If the audit tape is more than the total of the cash drawer, then the cash is:

A. proven.
B. over.
*C. short.
D. void.

If the detail audit tape is less than the cash drawer, the cash is:

A. short.
B. void.
*C. over.
D. None of the above

At the end of the day you have:

Cash in drawer	$190.00
Total voided	10.00
Total cash paid out	25.00
less original change fund	60.00
total sales shown on audit tape	$145.00

This is a:

A. $20 cash shortage.
*B. $20 cash overage.
C. $30 cash shortage.
D. $30 cash overage.

DUTY: MARKET PLANNING

F001: Explain the marketing concept.

A company whose main emphasis is on production of a product is guided by a marketing concept.

True False*

Fulfilling the needs of customers at a profit is called:

*A. the marketing concept.
B. the marketing challenge.
C. facilitating business operations.
D. none of the above

The foundation of the marketing concept is:

A. producers beware.
*B. needs of customers always come first.
C. buyers beware.
D. businesses should be concerned with quality.

F002: Explain historical development in business that led to the adoption of the marketing concept.

Why was there little need for the marketing concept before the Industrial Revolution?

A. Mass production was the main concern.
B. Most products were imported from Europe.
C. Mass advertising wasn't popular yet.
*D. Americans produced most goods for their personal consumption and purchased very little.

Ford Motor Company began manufacturing automobiles in the earily 1900's. At that time Henry Ford stated, "We will manufacture cars in any color the customers wants, as long as it is black." Today Ford Motor Company produces cars in a wide variety of colors to satisfy customer needs. This is an example of :

A. form utiity.
B. a facilitating activity.
*C. the marketing concept.
D. target return.

The marketing concept existed long before the start of the Industrial Revolution.

True   False*

Ford Motor Company began manufacturing automobiles in the earily 1900's. At that time Henry Ford stated, "We will manufacture cars in any color the customers wants, as long as it is black." Today Ford Motor Company produces cars in a wide variety of colors to satisfy customer needs. This is an example of :

A. form utiity.
B. a facilitating activity.
*C. the marketing concept.
D. target return.

F003: Give examples of the marketing concept in action.

Which of the following are considered consumers?

A. government
B. individuals
C. institutions
*D. all of the above

A successful marketer learns which goods and services will:

*A. satisfy customer needs.
B. be produced easily.
C. compete in the marketplace.
D. all of the above

Manufacturers try to produce goods in direct proportion to:

A. producer demand.
B. product utility.
*C. consumer demands.
D. climatic and environmental factors.

F004: Explain the role that product/service planning activities play in a company's success in the marketplace.

Which stages in the product life cycle are considered in product planning?

A. introduction
B. pre-introduction
C. growth
*D. all stages

Product planning is a way for companies to keep up with ever-changing market conditions.

True*   False

Larger selections within a product class has little effect on product planning.

True   False*

F005: Identify factors that influence product/service planning.

Marketing strategies are ____________ by changes that occur in the marketplace.

A. not influenced
B. increased.
C. decreased.
*D. affected.

The product objectives which guide product plans are usually similiar for companies within the same industry.

True   False*

It is nearly impossible for companies to keep up with changes in the marketplace. Because this is true, companies should attempt to create stable product plans that don't react to change.

True   False*

F006: Identify the methods of gathering primary marketing data.

External data is never considered to be primary data.

True False*

It is commonly known that the most effective type of survey for collecting primary data is:

A. mail questionnaire.
B. telephone interview.
*C. personal interview.
D. third-party interview.

Market researchers are sometimes employed to collect primary data.

True* False

F007: Apply one or more of the methods to gather primary data.

The form of primary research involving a scale model or representation of a real marketing situations is:

A. mail interview.
B. internal data.
C. test marketing.
*D. experimentation.

Primary research gathered by watching people without interviewing them is called:

A. experimentation.
*B. observation.
C. panel.
D. survey.

A form of primary research in which a leader meets with a group of 6 to 10 consumers about a specific product or service and discusses how the group members feel about the product or service is called a:

A. panel group.
B. survey group.
C. test market group.
*D. focus group.

F008: Explain the difference between the total market approach and the segmentation approach to product planning.

Market segmentation is a concern for retailers only.

True False*

How can market segmentation benefit a business?

*A. Provides greater efficiency in marketing a product successfully.
B. Provides more customers.
C. Provides greater appeal to the general population.
D. All of the above

The potential customers for a product or service are known as a(n):

*A. market.
B. corporate chain.
C. cooperative.
D. economic system.

F009: Cite examples of specific products/services and their target markets.

Superman comic books have advertisements directed toward which of the following target markets?

*A. children
B. young adults
C. middle-aged adults
D. senior citizens

Business Products Inc., is planning to advertise a new large capacity, three color fax machine. In which magazine should they advertise to reach their target market?

A. Better Homes and Gardens
*B. Fortune
C. Journal of Applies Psychology
D. Reader's Digest

Tropical Tan would like to conduct an advertising campaign for a new tanning lotion, but it is December. It would be best if they waited until April before beginning to advertise.

True False*

F010: Identify the functions of packaging to meet the needs of specific marketing.

Clorox Bleach bottles have a no-spill spout. What is the advantage of this type of packaging?

A. Contains the product
B. Identifies the product
C. Promotes the product
*D. Makes the product easy to use

Lucky Charms Cereal boxes have a colorful picture of the leprechaun and a bowl of the cereal. The function of this packaging is to:

A. contain the product.
B. identify the product.
C. promote the product.
*D. all of the above

A product packaged in a container that is a different shape and/or size than the competitors' packages is trying to make the product:

*A. easy to identify.
B. less expensive to package.
C. easier to handle in shipping.
D. all of the above

F011: Define product line and product mix.

Wilson Company, manufacturer of sporting goods, calls the group of different types of tennis rackets a:

A. product plan.
B. product mix.
*C. product line.
D. product item.

Companies sometimes offer different quality and/or price grades within a product line. The least expensive brand in a line used to compete with other companies low-price strategies is called a:

A. licensed brand.
*B. fighting brand.
C. individual product brand.
D. private brand.

A broad product mix can help protect a company from great losses when one product is unsuccessful.

True*	False

F012: Identify the stages of the product life cycle.

During the ___________ stage of the product life cycle, a decline in popularity is evident.

A. maturity
B. introduction
*C. decline
D. growth

A product achieves its highest level of sales at the ______________ stage in the product life cycle.

A. introduction
B. growth
*C. maturity
D. decline

Fashion classics tend to reach and remain at the ___________ stage of the product life cycle.

*A. maturity
B. introduction
C. decline
D. growth

F013: Explain the steps in product planning.

Which of the following is the source of new product ideas?

A. Research staff
B. Competitors
C. Customers
*D. all of the above

Which of the following is the final step in product development?

A. Evaluate ideas
*B. Market the product
C. Test the product
D. Screen ideas

The model of a new product is called the:

A. product specification.
B. trial item.
C. idea layout.
*D. prototype.

DUTY: PHYSICAL DISTRIBUTION

G001: Accurately check shipment of items against an invoice.

A bill sent by the seller that describes the merchandise purchased, the price, and shipping and billing terms is call the:

A. waybill.
B. price code.
*C. invoice.
D. three-part ticket.

Receiving clerks use the ______________ method of checking the shipment when they have copies of invoices or purchase orders.

*A. open check
B. blind check
C. spot-check
D. close check

The ______________ method of checking the shipment is used to save time when the seller is well known and reliable.

A. open check
B. blind check
*C. spot-check
D. close check

G002: Handle incorrect amounts or types of goods.

The step in returning merchandise is to:

*A. make out a bill of lading.
B. make sure the goods are properly packed.
C. arrange for transportation.
D. check the goods to be returned against the return form.

If receiving records are not handled carefully and there is damaged merchandise, how could a business be hurt?

A. May be sued by the carrier
*B. May not be able to collect on claim
C. May be fined for keeping incomplete records
D. All of the above

The _______________ is responsible for covering the cost of goods when they are damaged during shipment.

A. receiving clerk
B. purchasing agent
*C. carrier
D. seller

G003: Mark prices on various types of goods.

__________ means that the price is decided upon when the item is ordered.

A. Prepricing
B. Sampling
C. Preinvoicing
*D. Preretailing

Prices are marked on merchandise for the benefit of:

A. customers.
B. buyers.
C. salespersons.
*D. all of the above

To determine which price to mark on a particular item, check the items already on the selling floor.

True False*

G004: Identify housekeeping duties in connection with proper stock care.

Which of the following housekeeping functions are normally done at a retail business?

A. sorting
B. shelving
C. stacking
*D. all of the above

Inefficient handling of business operations may result in:

A. delays in receiving and marking goods.
B. equipment breakdowns.
C. theft.
*D. all of the above

_______________ are used to handle more goods at one time, handle goods as little as possible, and use machines instead of hand labor.

A. Unit loads
*B. Pallets
C. Storage Containers
D. Conveyor belts

G005: Exercise precautions with equipment to prevent accidents.

Who is responsible for seeing that the equipment and facilities in a retail business are in safe operating order or reporting unsafe conditions?

A. Department managers
B. Safety supervisors
C. Store manager
*D. All employees

When lifting a load, it is important to place the heavy strain on your:

A. shoulders.
B. back.
*C. legs.
D. forearms.

When opening a box with a cutting instrument, you should cut toward yourself.

True False*

G006: Exercise precautions with stock to prevent accidents.

Merchandise in shipping cases should not be left unattended on the retail selling floor.

True* False

When stocking merchandise on shelves, one should:

*A. ensure the shelf's stability.
B. stand on the bottom shelf to reach the top better.
C. push the old merchandise to the back of the shelf before stocking.
D. all of the above

When carrying a heavy or awkward carton:

*A. ask for help.
B. carry it on your back.
C. carry it on your shoulder.
D. all of the above.

G007: Identify importance of preventing stock shrinkage.

_______________ are responsible for reducing inventory shrinkage.

A. Receiving clerks
B. Stock clerks
C. Managers
*D. All employees

Losses due to deterioration can be prevented by keeping stock clean.

True* False

When business records indicate that merchandise stock does not correlate with the actual merchandise count, the business is experiencing a(n):

A. short supply.
B. poor record keeping.
*C. inventory shrinkage.
D. stock shortage.

DUTY: SALES PROMOTION

H001: Identify the major advertising media used to promote sales.

The number one retail advertising medium is ______________.

A. television.
*B. newspaper.
C. direct mail.
D. radio.

The ______________ is now the prime family entertainment medium.

A. magazine
B. radio
*C. television
D. newspaper

Most direct mail advertising is sent:

*A. third-class bulk rate.
B. first-class mail.
C. federal express.
D. by courier.

The key to any successful direct mail campaign is a complete:

A. printing department.
B. transportation system.
C. postal system.
*D. mailing list.

H002: Identify the basic types of displays used to promote sales.

______________ show merchandise as it would look in actual use with related items.

A. Open displays
*B. Model displays
C. Closed displays
D. Point-of-purchase displays

Department and specialty stores use _______________ to sell cosmetics, hosiery and other small items.

A. open displays
B. model displays
C. closed displays
*D. point-of-purchase displays

_______________ are often used to show expensive items such as jewelry.

A. Open displays
B. Model displays
*C. Closed displays
D. Point-of-purchase displays

H003: Identify the special promotion activities used to promote sales.

T-shirts, back packs and other items bearing corporate logos offered at a price just covering costs are known as:

A. factory packs.
*B. self-liquidating premiums.
C. direct-sales premiums.
D. sales-lead premiums.

Rewards offered in return for the names of prospective customers are called:

A. self-liquidating premiums.
B. direct-sales premiums.
*C. sales-lead premiums.
D. referral premiums.

Small toys or prizes found in boxes of children's cereal are known as:

A. mystery premiums.
B. self-liquidating premiums.
C. direct-sales premiums.
*D. factory packs

H004: Identify how sales promotion benefits the marketing business, employee, and consumer.

Sales promotion benefits the marketing business, employees and the consumer.

True* False

To some customers the sales promotion is just as important as the product.

True* False

Increased sales due to promotions benefit:

A. the company.
B. the employee.
C. the customer.
*D. all of the above

H005: Identify the major elements of a print or broadcast advertisement.

Which of the following media best allows the advertiser to reach a specific target audience?

*A. Magazines
B. Radio
C. Television
D. Outdoor advertising

Which of the following media has the greatest affects on the consumers senses?

A. Radio
*B. Television
C. Outdoor advertising
D. Transit advertising

Which of the following print media is most likely to be retained for an extended period of time?

A. Newspapers
*B. Magazines
C. Direct Mail
D. Flyers

H006: Read newspaper advertisements to keep informed of the advertising done by a business and its competition.

Which of the following statements about newspaper advertisements is true?

A. Ads must be prepared weeks in advance.
B. Newspaper ads make poor shopping guides.
*C. Ads can be prepared and inserted just hours before publication.
D. Newspaper ads rarely include coupons.

_______________ advertisements appear throughout a newspaper and use pictures, art or different styles of type to attract attention.

*A. Display
B. Classified
C. Specialty
D. Diversified

Classified advertisements are used to sell used personal household furnishings and to advertise personal services.

True* False

H007: Recognize broadcast promotions by a business and its competition.

There is little concern among competitors to buy up television spots on popular telecasts such as the Super Bowl.

True False*

Local retailers with heavy competition may want to consider network advertising to increase their market share.

True False*

When competition is at a low, advertising is primarily intended to bring customers into the business.

True* False

H008: Read current promotion material sent out to consumers by a business and its competitors (ex. catalogs, manufacturers' brochures, etc.).

Because of its personal effect, direct mail advertising is most popular among _______________ businesses.

A. large
B. medium-sized
C. small
*D. all of the above

How can retail business managers inform employees of advertising promotions?

A. Post copies of ads in employee lounge.
B. Post copies of ads at each cash register.
C. Tell employees about ads at weekly meetings.
*D. All of the above

Which of the following is NOT a benefit of direct mail?

A. The advertiser can direct the message exclusively to customers.
B. Direct mail can be highly creative.
*C. Direct mail is a great source of entertainment.
D. The results of direct mail advertising are easy to measure.

H009: Identify the costs of various advertising media.

The cost of advertising is relative to the number of possible customers reached.

True*   False

There is little difference in the cost of a billboard placed in the middle of a large city and the cost of one placed in the country.

True   False*

The cost of advertising is based solely on the amount of space or time purchased.

True   False*

H010: Identify the importance of visual merchandising as it applies to a business' image.

An effective storefront:

A. provides an attractive "picture frame".
B. harmonizes with the image of the business.
C. invites the customer to stop and enter.
*D. all of the above

Which of the following is NOT a basic rule concerning window displays?

*A. Maintain currency by changing displays weekly.
B. Relate to the season or current events.
C. Reflect the personality of the store and its merchandise.
D. Relate to the store's advertising and promotion.

The condition of the outside of a marketing business has no affect on whether or not a customer will buy there.

True False*

H011: Select appropriate, seasonal, and timely display merchandise.

Identify the item appropriate for promotion during the spring.

A. Snow mobile
*B. Grass seed
C. Hunting coat
D. Skis

Which of the following seasons would be most appropriate to display sleds?

A. Fall
*B. Winter
C. Spring
D. Summer

Pastels colors would be displayed most effectively during the ____________ season.

A. Fall
B. Winter
*C. Spring
D. Summer

HO12: Design displays considering the basic elements of display arrangement.

Display design ____________ include line, shape, size and weight.

*A. elements
B. principles
C. goals
D. concepts

Display design elements deal with the appearance, or features, of merchandise being displayed.

True* False

____________ of visual merchandising include harmony, contrast, emphasis, proportion and balance.

A. Elements
*B. Principles
C. Concepts
D. Goals

HO13: Plan location of displays.

Impulse items should be placed in high value sales space, while demand items should be placed in less valuable areas.

True* False

It is your responsibility to recommend merchandise and display space at the business where you work. An item of merchandise should be allotted display space based on its:

*A. sales volume.
B. price.
C. size.
D. none of the above

With point-of-purchase audio visual displays, the customer can:

A. see the product in use.
B. taste the product.
C. hear a description of its features.
*D. both A and C

DUTY: SELLING

I001: Identify how to analyze customer needs and wants.

Retailers must pay close attention to ______________ of consumers.

A. needs and wants
B. buying habits
C. behavior patterns
*D. all of the above

Skilled salespeople listen closely to the needs and wants of customers to:

A. push clearance items to reduce inventory.
*B. match the reasons for buying with the right merchandise.
C. pressure customers into buying the most expensive item.
D. sell related items to the customer.

The question "What motivates people to buy?" is so complex that it can not be answered by either the salesperson or the customer.

True False*

I002: Identify how to determine the buying motives of customers and then appeal to them.

______________ is a basic need essential to the survival of humans.

A. Water
B. Food
C. Shelter
*D. All of the above

Joel needed a car to drive back and forth to school and work. His dad promised to buy him a new car on his eighteenth birthday. On that special day he looked at several cars on several different lots. Then he saw the Black Mazda RX7. It performed great on the test drive and Joel knew that he just had to have that car. Joel's purchase decision is based on:

*A. emotional buying motives.
B. patronage buying motives.
C. rational buying motives.
D. irrational buying motives.

Susie always shops at the Farmers Market for her produce because they provide fresh fruits and vegetables at an affordable price. Susie's purchase is based on:

A. emotional buying motives.
B. patronage buying motives.
C. rational buying motives.
D. both A and B.
*E. both B and C.

I003: Approach the customer and begin the sale.

By asking a current customer if he/she knows of anyone else who might be interested in the product, the salesperson is performing the _______________ step of a sale.

*A. prospecting
B. preapproach
C. approach
D. departure and follow-up

The _______________ to prospecting is used when salespeople make as many calls as possible without checking them out first.

A. just checking approach
*B. cold canvas approach
C. direct contact method
D. endless chain method

_______________ is completed in order to gain an interview and make the sales presentation.

A. Prospecting
B. The preapproach
*C. The approach
D. Determining the customer needs

I004: Present the features and benefits of a product or service.

An organized sales presentation is in no way a "canned" sales talk.

True*   False

A canned sales presentation:

A. is based on individual customer needs.
B. allows the salesperson flexibility in the presentation.
C. is a very effective method of selling.
*D. simply recites product features.

Which of the following groups of words are all product benefits?

*A. Comfort, versatility, and durability
B. Color, weight, and size
C. Price, brand, and exclusiveness
D. Prestige, operation, and construction

I005: Overcome customer's objections and excuses.

Basically the sales presentation is over once a customer makes an objection since it is clear that he doesn't want the product.

True False*

An objection could be considered a negative question.

True* False

If a customer says, "I like your product, but I can't afford it right now", the salesperson should respond by:

A. stressing the benefits of immediate ownership.
B. explaining various credit plans.
C. inviting the customer back when they can afford it.
*D. both A and B

I006: Close the sale.

The sales check is completed during the:

A. sales presentation.
*B. close.
C. follow-up.
D. none of the above

A question that prompts the customer to commit themself to purchasing merchandise is known as:

A. the last chance to buy.
B. narrowing the choice.
*C. a positive sales closer.
D. recognizing selling signals.

With the close of a sale, the prospect becomes a customer because a purchase has been made.

True* False

I007: Follow-up to service the sale.

Handling adjustments and complaints

A. is not part of a salesperson's job.
B. should be done carefully and apologetically.
C. is the easiest part of a salesperson's job.
*D. gives the salesperson an opportunity to improve customer relations.

Even when no sale has been made, the salesperson should show appreciation for the time and attention that the prospect has provided.

True* False

When the salesperson concludes the sale, his responsibilities are over.

True False*

Once the sale is completed, a good salesperson will:

A. ensure that all promises have been kept.
B. follow-up on all details of the transaction.
C. complete all records associated with the transaction.
*D. all of the above.

I008: Identify sources of product or service knowledge.

Written information placed on products that reveals their content, size, instructions for use, etc. is called:

*A. labels.
B. patents.
C. trademarks.
D. licenses.

Often manufacturers hold _______________, which are, in a sense, schools to teach product knowledge.

A. consumer advisory boards
B. board meetings
*C. sales conferences
D. sales blitzes

In gaining product knowledge, the salesperson also learns how the product benefits customers and gains confidence in his or her ability to sell the product.

True* False

I009: Use information on tags, labels, stamps, wrappers, etc. to help the customer buy intelligently.

_______________ is the use of containers and wrapping materials to protect, contain, identify, promote, and facilitate the use of the product.

*A. Packaging
B. Labeling
C. Containing
D. Wrapping

Which of the following factors do you need to know in order to evaluate a guarantee?

A. What will be done in case of failure.
B. What part of the product is covered.
C. How long the guarantee is in effect.
*D. All of the above

A packaging label giving information on the use, care, performance, ingredients or other characteristics of the product is called a:

*A. descriptive label.
B. brand label.
C. grade label.
D. registered label.

A package in which plastic film is molded tightly over a product mounted on a card is called a:

A. blister pack.
B. flexible pouch.
*C. skin pack.
D. shrink pack.

I010: Convert product or service knowledge into selling points.

Product features can be converted into:

A. customer benefits.
B. selling points.
C. selling points to overcome objections.
*D. all of the above.

Each product feature is viewed as a benefit by every individual customer.

True False*

When making a buying decision, the most important aspect to the customer is the product's:

A. features.
*B. benefits.
C. selling points.
D. spiffs.

I011: Compare goods or services favorably with competing products or services.

It makes good sense to talk bad about your competition so that customers won't be tempted to buy from the competition.

True False*

As a salesperson, you should bring-up and discuss any weaknesses in the product so that customers view you as an honest person.

True False*

______________ is an effective way to compare products with the competition and provide recommendations from satisfied customers.

A. Referral letters
B. Customer letters
*C. Testimonials
D. Rap sheets

I012: Suggest advertised product or services needed from one's own company that might satisfy customer's needs.

When suggesting advertised products, it is important for the salesperson to know the history and background of the product.

True* False

"This particular perfume you're interested in is imported from Paris" is an example of the:

A. service greeting.
*B. merchandise approach.
C. service approach.
D. relaxed approach.

"May I help you?" is an example of the:

A. salutation greeting.
B. service approach.
*C. service greeting.
D. merchandise approach.

I013: Coordinate products or services with related items in an attempt to increase the amount of sale.

Suggestion selling involves recommending that the customer purchase additional merchandise to complement the original purchase.

True* False

When displaying merchandise, retailers often ____________________ to increase additional purchases.

A. place similar merchandise in separate departments
B. order large shipments of related merchandise
*C. layer related merchandise and accessories together.
D. place related merchandise on the back wall

A home owner decides to paint their outside deck but does not have the right kind of paint to do the job. Once the proper paint is selected, the salesperson should suggest which of the following items?

A. a hammer
B. paint brushes
C. remover
*D. both B and C

I014: Suggest larger quantities, higher priced goods, and additional goods in an effort to increase the average sale.

Recommending that a customer should purchase higher quality merchandise is an example of:

*A. trading up.
B. trading down.
C. trading in.
D. trading out.

When suggesting the purchase of additional items, the salesperson should avoid:

A. making suggestions definite.
B. showing the item suggested.
C. providing a reason for the suggestion.
*D. overdoing an attempt at suggestion selling.

Asking the question "Will there be anything else?" is an effective way to sell additional items.

True False*

I015: Identify the various types of selling, besides retailing, that takes place in marketing.

_______________ sell a manufacturer's products to retailers, business firms, or other institutions.

A. Wholesale salespeople
B. Retail salespeople
C. Manufacturers' representatives
*D. Both A and C

People who sell insurance and real estate are:

A. retail salespeople.
*B. specialty salespeople.
C. wholesale salespeople.
D. manufacturers.

Industrial selling differs from retail selling because:

A. the industrial customers are more concentrated.
B. demand for industrial products is derived.
C. industrial buying process is more complex.
*D. all of the above

FUNDAMENTALS OF MARKETING CORE CURRICULUM

Assessment Techniques

June, 1989

Assessment techniques included in this project are keyed to the core curriculum by duty band and competency number.

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A001: Define feedback.

TASK# A002: List types of feedback.

Essay Questions: (8 points)

1. Write the definition of feedback.

2. Briefly explain the importance of feedback in business communication.

3. List two types of feedback and give an example of each.

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A001: Define feedback.

TASK# A002: List types of feedback.

KEY

1. Definition of feedback: (2 points)
   Reacting verbally, vocally or visibly to what another person says or does, or seeking reaction from another person to what you say or do. Feedback completes the cycle of two-way communication.

2. Importance of feedback: (2 points)
   Without proper feedback one can never be sure that others understand the message he/she has sent. Grave mistakes can be the result of poor feedback.

3. Types of feedback: (4 points)
   Verbal - examples: asking clarifying questions
   paraphrasing

   Nonverbal - examples: body language
   gestures
   facial expressions
   eye contact

COMMUNICATIONS IN MARKETING

FUNDAMENTALS OF MARKETING

TASK# A003: Explain feedback effect on human behavior.

TASK# A004: Speak in a business-like manner.

TASK# A005: Use proper listening skills.

TASK# A007: Use body language to help convey feelings in spoken communication.

Brief Description of Activity:

The student's communication skills will be evaluated in a role play situation. The student is an employee in a marketing business and has been asked by his/her supervisor to demonstrate the proper way to deal with an irate customer. The remainder of students in class will serve as new employees of the organization who are attending a training session. They will be asked to explain feedback effects on the customer's behavior and to evaluate the effectiveness of the listening skills, business-like speech, and body language utilized in the role play.

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A003: Explain feedback effect on human behavior.

TASK# A004: Speak in a business-like manner.

TASK# A005: Use proper listening skills.

TASK# A007: Use body language to help convey feelings in spoken communication.

Directions: Evaluate the student for appropriate tasks in communication by placing a check by the appropriate number to indicate the degree of competency. The rating for each task should reflect employability readiness.

Rating Scale: 3 - Mastered-can work independently with no supervision
2 - Needs improvement-upgrade skill
1 - Not mastered-requires instruction and close supervision

Speak in a business-like manner.	3	2	1
a. Displayed attitude that the ability to communicate skillfully in good English is essential to a person's business advancement.	____	____	____
b. Displayed skill in effective use of speech and vocabulary.	____	____	____
c. Spoke clearly and pleasantly, conveying spirit and enthusiasm.	____	____	____
d. Addressed people in a business-like manner.	____	____	____
e. Chose words to minimize misinterpretation.	____	____	____
f. Conveyed sincerity and interest by tone of voice.	____	____	____
Use proper listening skills.			
a. Gave immediate feedback in order to ensure understanding.	____	____	____
b. Made and maintained eye contact with speaker.	____	____	____
c. Displayed empathy in listening to speaker.	____	____	____
Use body language to help convey feelings in spoken communication.			
a. Indicated enthusiasm toward the product or service by physical actions.	____	____	____
b. Created a positive atmosphere through physical gestures.	____	____	____
c. Indicated approval through physical actions.	____	____	____

TASK# A003: Explain feedback effect on human behavior.

TASK# A004: Speak in a business-like manner.

TASK# A005: Use proper listening skills.

TASK# A007: Use body language to help convey feelings in spoken communication.

KEY Questions

a. What types of positive feedback did you observe? What were the effects of each of these actions?

   1. Employee -

   2. Customer -

b. What types of negative feedback did you observe? What were the effects of these actions?

   1. Employee -

   2. Customer -

TASK# A004: Speak in a business-like manner.

Brief Description of Activity:

Communications skills of the student will be evaluated in a taped presentation activity. The student will assume the role of an announcer delivering a public service announcement (PSA).

Materials Needed:

1. Student's Instructions
2. Tape recorder or videotape equipment
3. Rating sheet.

Student's Instructions:

Using a tape recorder or videotape equipment, develop a one minute public service announcement (PSA) informing the public of a community service project that your business is sponsoring. Include details regarding when the event will be held, where it will be held, and the purpose of the project.

TASK# A004: Speak in a business-like manner.

KEY

RATING SHEET

	YES	PARTIAL	NO
The announcement had an introduction.	____	____	____
The announcement included information on time, place, and date of the activity.	____	____	____
The announcement addressed the target audience.	____	____	____
The announcement closed with an appeal for action.	____	____	____
The announcement was one minute in length.	____	____	____
The announcement explained the purpose of the project.	____	____	____
The announcer's tempo was appropriate.	____	____	____
The announcer's pitch was appropriate.	____	____	____
The announcement conveyed enthusiasm.	____	____	____
Grammar was correct.	____	____	____
Pronunciation was clear.	____	____	____
Appropriate diction was used.	____	____	____

Comments:

TASK# A005: Use proper listening skills.

In a group of 4-5 people, remove one person from hearing distance. Tell this person the following story:

Go to the **stockroom** at the **north** end of the building. Ask for the **three small packages** for **John Mills**. The **stock clerk** will give you **two** copies of the materials list. Check the **materials list** with the **stock clerk**. **Sign** the **white** copy. **Deliver** the **three packages** and the **yellow** copy to **John Mills**.

Have each person tell the story to the next person in the group. Only tell the story once, **NO REPEATS**. Hand out Instruction Sheet A to the rest of the class to fill out as they listen to each person repeat the story. Have a group discussion on what went wrong, then repeat the story with Instruction Sheet B.

TASK# A005: Use proper listening skills.

INSTRUCTION SHEET A

Go to the **stockroom** at the **north** end of the building. Ask for the **three small packages** for **John Mills.** The **stock clerk** will give you **two** copies of the materials list. Check the **materials list** with the **stock clerk. Sign** the **white** copy. **Deliver** the **three packages** and the **yellow** copy to **John Mills.**

Deletions	Distortions	Additions

1) ____________________

TASK# A005: Use proper listening skills.

INSTRUCTION SHEET B

Ask **Sam Mathews** for the key to the **yellow forklift**. **Drive** the forklift to the **company shop** in **Building No. 2**. Tell the **mechanic** to **change** the **right rear tire**. Ask the mechanic to **hang the ignition key on the left fork**. Tell **Harry** to go to the shop **tomorrow morning** and drive the forklift **back here**.

Deletions	Distortions	Additions
2)		

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A006: Use the telephone in a business-like manner.

Brief Description of Activity:

The student's communication skills will be evaluated in a telephone conversation. The student is an employee of a telemarketing firm and must contact a potential customer by phone and set up an appointment for a sales call by a representative. Students must develop their sales dialogue on paper prior to making the telephone call.

Evaluation will be based on the student's knowledge of using the telephone in a business-like manner.

Materials Needed:

1. Student Instructions
2. Rating Sheet
3. Telephone/Teletrainer (Optional)

Personnel Needed:

1. One person to role-play customer
2. Evaluator(s)

Student Instructions:

You are a telemarketer in a local firm in your community. Your responsibility is to set up appointments with prospective clients so that a sales representative may call on them. You must first develop your sales dialogue and then telephone a prospective client. You will be evaluated on your knowledge of using the telephone in a business-like manner.

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A006: Use the telephone in a business-like manner.

KEY:

Directions: Evaluate the student for appropriate tasks in communication by placing a check by the appropriate number to indicate the degree of competency. The rating for each task should reflect employability readiness.

Rating Scale: 3 - Mastered-can work independently with no supervision
2 - Needs improvement-upgrade skill
1 - Not mastered-requires instruction and close supervision

	3	2	1
a. Identified self and company properly.	____	____	____
b. Spoke clearly and pleasantly, conveying spirit and enthusiasm.	____	____	____
c. Displayed skill in effective use of speech and vocabulary.	____	____	____
d. Conveyed sincerity and interest by tone of voice.	____	____	____
e. Addressed other party in a business-like manner.	____	____	____
f. Spoke at a normal pitch and volume.	____	____	____
g. Answered questions correctly, completely, and cheerfully.	____	____	____
h. Completed the transaction efficiently and closed on a note of goodwill.	____	____	____
i. Exhibited tact and courtesy in dealing with the caller.	____	____	____

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A008: Read and understand written communications.

Brief Description of Activity:

Students are to read the Crest Toothpaste case study. Direct students to read the case carefully. Ask the students to answer the set of questions regarding the case study.

CREST TOOTHPASTE: A CASE STUDY IN SUCCESSFUL ADVERTISING

This case study illustrates how Procter & Gamble used advertising and promotion to 1) inform consumers of the benefits of using CREST, its decay-fighting toothpaste and 2) to make consumers aware of changes in CREST'S formula over the years.

As you read this case study, remember these basic points about advertising:

The first job of advertising is to tell consumers the product is available.

—Advertising tries to attract those who have a natural interest in the product and tries to get them to try it by telling them how it will perform.

—Advertising must be informative and truthful. If ads promise more than the product can deliver, or mislead in any way, the disappointed consumer will not buy the product again.

—Most importantly, advertising is not magic. It is part of the marketing process which, to be successful, must be based on a worthwhile product. A poor product will fail in the marketplace regardless of how well it is advertised.

The story of CREST toothpaste began more than 20 years before the product was made available to consumers.

In the late 1930's Procter & Gamble dental health researchers and market researchers reached an important agreement about toothpaste. If Procter & Gamble could find an ingredient that reduced the chance of tooth decay and placed it in a pleasant-tasting and properly priced toothpaste, consumers would buy the product. Procter & Gamble believed the enormous investment of time, money and resources would be well worth it. They felt that a toothpaste that fought cavities would offer a health benefit to consumers and generate long-term profits for the company.

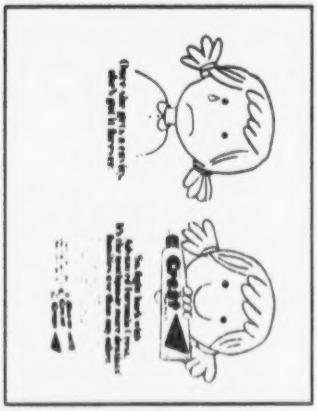
In the product development stage, many theories about how to prevent tooth decay were explored before the answer was found. After years of research, a compound called stannous fluoride was proven to be effective in preventing tooth decay. Numerous long-term studies with children and adults were then conducted. The results were very clear. People who brushed with toothpaste containing stannous fluoride had significantly fewer cavities compared to people using the same toothpaste without the fluoride formula.

CREST was the name chosen for the new toothpaste. Test marketing began in 1955 and expanded to national distribution in 1956. Although CREST sales were good when it was introduced, CREST'S popularity began to decline in the face of stiff competition.

TASK# A008: Read and understand written communications.

The basic problem was that CREST'S benefit — reduced cavities — was not easy for consumers to see. Procter & Gamble decided consumers needed to hear about CREST benefits from an authority they would believe. Beginning in 1954 Procter & Gamble submitted the results of the company's extensive clinical tests to the American Dental Association (ADA). The ADA had a review panel that evaluated the effectiveness of dental products. However, the ADA was generally suspicious of toothpaste claims and had never endorsed the use of a particular toothpaste. Procter & Gamble sought to convince the ADA of CREST effectiveness through the mounting evidence of clinical studies.

CREST's effectiveness in reducing cavities was so convincing that in 1960, the American Dental Association recognized CREST toothpaste as an effective decay preventative dentifrice "when used in a conscientiously applied program of oral hygiene and regular professional care." CREST was a significant breakthrough in decay prevention. Procter & Gamble needed to tell potential buyers CREST would help reduce cavities. Procter & Gamble decided to highlight the American Dental Association's endorsement of CREST. **Ad 1 is an example of one advertisement used by Procter & Gamble.**

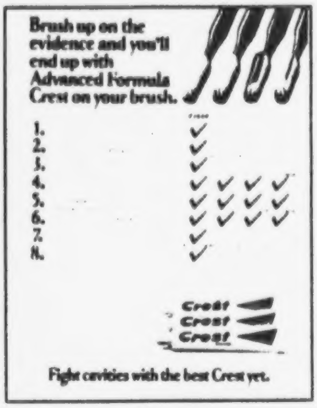


Ad 1

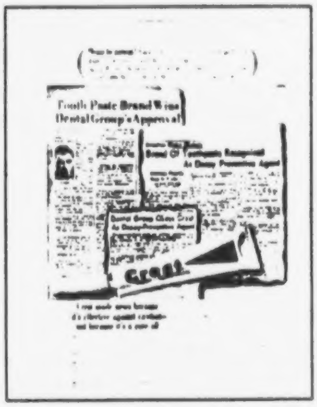
This advertising campaign was so effective CREST sales doubled the first year following ADA endorsement and tripled in its second. Although CREST was selling far better than any of its competitors, Procter & Gamble knew additional product development was necessary. The competition would soon be able to match CREST's effectiveness unless Procter & Gamble continued to look for a more effective formula. Between 1955 and 1977 more than 75 fluoride formulations were tried before Advanced Formula CREST with Fluoristat, a new cavity fighting system, was tested from 1977-1980. Almost 5000 children were involved in the largest clinical study ever done on a toothpaste. The study showed children who brushed with Advanced Formula CREST had significantly fewer cavities than those who used the original CREST. The new CREST formula, also endorsed by the American Dental Association, was introduced in 1981. Again, Procter & Gamble wanted to make consumers aware of the significant improvement in CREST. The company's strategy was to build on consumers' trust of original CREST and to show that Advanced Formula CREST was even better in reducing cavities. American Dental Association acceptance of the new formula CREST appeared in the ads as well. **Ads 2,3 and 4 illustrate the approach used in advertising the new formula CREST.**

AT ONLY ONE CAVITY A YEAR,
1/3 OF HER TEETH COULD BE
FILLED WI SS IN 10 YEARS.
INTRODUCING
ADVANCED FORMULA CREST.
BECAUSE ANY CAVITY YOU GET
IS TOO MANY CAVITIES.
Crest

Ad 2


Brush up on the evidence and you'll end up with Advanced Formula Crest on your brush.
1.
2.
3.
4.
5.
6.
7.
8.
Crest
Crest
Crest
Fight cavities with the best Crest yet.

Ad 3


Tooth Paste Brand Wins Dental Group's Approval
Crest

Ad 4

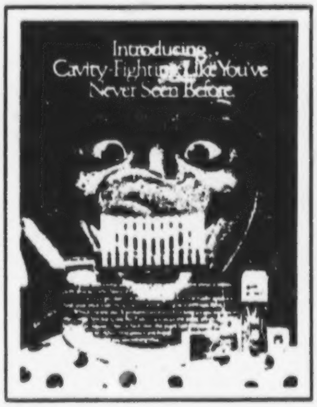
TASK# A008: Read and understand written communications.

Competition in the marketplace forced Procter & Gamble to continue experimenting with new formulas for CREST. In 1985 the company introduced the first tartar control formula toothpaste, CREST Tartar Control Formula. The company recognized tartar was something few people understood and most people were loyal to their regular toothpaste. To add to the confusion, competitors were claiming their toothpastes reduced plaque. While this statement is true (all toothpastes reduce plaque), most consumers thought plaque and tartar were the same thing. How would Procter & Gamble persuade consumers that CREST Tartar Control Formula was a worthwhile product? Extensive advertising and promotional strategies were used to educate consumers. A major promotion to introduce the new toothpaste was mailing product samples and information about tartar to over 70% of U.S. households. **Ad 5 *(see next page)* was used to demonstrate what tartar is by showing the dental tools dentists use to scrape tartar from teeth.**

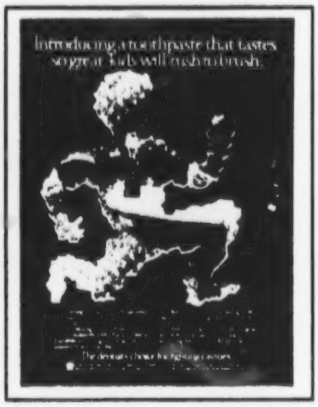
Procter & Gamble's market and laboratory research continues. Mint flavors and gels have been introduced. Pumps are offered as well as tubes. New formulas for fighting cavities and tartar are constantly being sought. Most recently, a new CREST formula called CREST for Kids was introduced. The new product features CREST'S decay-fighting formula in a taste designed to please children. The company had to design ads that would convince consumers of two things: 1) the product was effective against cavities and 2) its flavor would encourage children to brush longer and more effectively. **Ads 6 and 7 were used by Procter & Gamble to introduce CREST for Kids toothpaste.**

This removes tartar.
This helps keep it from coming back.
Crest
Introducing New Tartar Control Crest.

Ad 5


Introducing..
Cavity-Fighting Like You've Never Seen Before.

Ad 6


Introducing a toothpaste that tastes so great kids will rush to brush.

Ad 7

The success of CREST toothpaste was not due only to its advertising. Although ads inform consumers about a product and what it does, it is through repeat sales that a product's success can be measured. A creative advertising and promotion strategy may be able to persuade consumers to buy a product once. However, if the product does not meet consumers' needs, or is priced higher than consumers are willing to pay, the product will fail the test of the marketplace.

TASK# A008: Read and understand written communications.

HANDOUT:

Refer to Ad 1 to answer the following questions:

1. What message was Procter & Gamble trying to give consumers in this ad? How were consumers to benefit by using CREST?

2. Why did Procter & Gamble choose to highlight CREST'S endorsement by the American Dental Association?

3. Was the ad effective? Would it get you to try the product? Why/why not?

Refer to Ads 2, 3 and 4 to answer the following questions:

4. What message was Procter & Gamble trying to give consumers in these ads? How were consumers to benefit by using Advanced Formula CREST?

5. Why do you think children are often pictured in CREST ads?

TASK# A008: Read and understand written communications.

(Handout continued)

Refer to Ad 5 to answer the following questions.

6. What special problem did Procter & Gamble face in advertising this new formula?

7. What other promotion techniques did Procter & Gamble use?

Refer to Ads 6 and 7 to answer the following questions:

8. Which ad do you find most effective? Why?

9. Why did Procter & Gamble need to stress both cavity-fighting and flavor in its CREST for Kids ads?

10. Based on your knowledge of the role of the consumer in our market economy, explain the major reason for the success of CREST toothpaste.

COMMUNICATIONS IN MARKETING

FUNDAMENTALS OF MARKETING

TASK# A008: Read and understand written communications.

KEY

Refer to Ad 1 to answer the following questions:

1. What message was Procter & Gamble trying to give consumers in this ad? How were consumers to benefit by using CREST?

   P & G was trying to convey the long term effects cavities have on children. Their main obstacle to overcome was the "intangible" nature of cavities. By using CREST, consumers could protect themselves from this health problem.

2. Why did Procter & Gamble choose to highlight CREST'S endorsement by the American Dental Association?

   The American Dental Association was a source of credibility for CREST.

3. Was the ad effective? Would it get you to try the product? Why/why not?

   Yes, the ad proved to be effective because sales doubled the first year and tripled the second year.

Refer to Ads 2, 3 and 4 to answer the following questions:

4. What message was Procter & Gamble trying to give consumers in these ads? How were consumers to benefit by using Advanced Formula CREST?

   P & G was trying to build on consumer's trust of original CREST and to show Advanced Formula CREST was even better in reducing cavities. Advanced Formula Crest benefited consumers by giving them added protection.

5. Why do you think children are often pictured in CREST ads?

   Children were often pictured in order to appeal to mothers who purchased the toothpaste and had the desire to protect their children. Also, cavities usually develop during the childhood years.

TASK# A008: Read and understand written communications.

(Handout continued)

Refer to Ad 5 to answer the following questions.

6. What special problem did Procter & Gamble face in advertising this new formula?

   P & G had to educate the general public as to what tartar was.

7. What other promotion techniques did Procter & Gamble use?

   A major promotion to introduce the new toothpaste was mailing product samples and information about tartar to over 70% of the U.S. households.

Refer to Ads 6 and 7 to answer the following questions:

8. Which ad do you find most effective? Why?

   Answers will vary.

9. Why did Procter & Gamble need to stress both cavity-fighting and flavor in its CREST for Kids ads?

   Cavity fighting appealed to parents who purchased toothpaste and flavor appealed to the kids.

10. Based on your knowledge of the role of the consumer in our market economy, explain the major reason for the success of CREST toothpaste.

    CREST was successful due to a high quality product that met consumer needs, competitive prices, and a creative advertising and promotion strategy.

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A009: Complete letters, forms, reports, and memorandums.

Using the form provided, record this sales transaction.

> Mr. Thompson at 1825 Vail Ave., Perryville, Missouri 65302 purchased a suit for $79.95, a hat for $8.00, and a tie for $4.00. It was a charge sale made on July 10, and the customer wanted the merchandise delivered to his home. The salesperson's number was 186, her department was 18. Sales tax was 3% and there was a $1.00 delivery charge.

Sold By	Dept	Date	Charge	COD	Amount Received

Charge to:

Street

City, State & Zip

Dept	Article	Amount
		Mdse. Total
		Sales Tax
Authorized Signature		Ship Charge
		Total Sale

Sent To

Street

City, State and Zip

Sent By

Sold By	Dept	Date	How Sold	Signature

KEY

Using the form provided, record this sales transaction.

Mr. Thompson at 1825 Vail Ave., Perryville, Missouri 65302 purchased a suit for $79.95, a hat for $8.00, and a tie for $4.00. It was a charge sale made on July 10, and the customer wanted the merchandise delivered to his home. The salesperson's number was 186, her department was 18. Sales tax was 3% and there was a $1.00 delivery charge.

Sold By	Dept	Date	Charge	COD	Amount Received
186	18	7/10/83	X		

Charge to:
Mr. Thompson

Street
1825 Vail Avenue

City, State & Zip
Perryville, MO 65302

Dept	Article	Amount	
18	1 suit	79	95
	1 hat	8	00
	1 tie	4	00
	Mdse. Total	91	95
	Sales Tax	2	76
Authorized Signature	Ship Charge	1	00
	Total Sale	95	71

Sent To
Mr. Thompson

Street
1825 Vail Avenue

City, State and Zip
Perryville, MO 65302

Sent By

Sold By	Dept	Date	How Sold	Signature
186	18	7/10/83	Chg	

COMMUNICATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# A010: Describe the importance of reading current business news media.

Directions: Read the article "How Managers Can Succeed Through Speed", from Fortune magazine, February 1989. After reading the information, identify ways that this material can be used to improve a marketing business with which you are familiar. Discuss reasons why marketers should regularly read current business news and how this reading can make them more competitive.

HOW MANAGERS CAN SUCCEED THROUGH SPEED

It takes more than just stepping on the gas. Companies must transform themselves—and the rewards are worth it.

■ *by Brian Dumaine*

"If you knew Time as well as I do," said the Mad Hatter, "you wouldn't talk about wasting it." —Alice in Wonderland

THE NUMBERS are nearly incredible. General Electric used to take three weeks after an order to deliver a custom-made industrial circuit breaker box. Now it takes three days. AT&T used to need two years to design a new phone. Now it can do the job in one. Motorola used to turn out electronic pagers three weeks after the factory got the order. Now it takes *two hours*.

Speed is catching on fast. A recent survey of 50 major U.S. companies by Kaiser Associates, a Vienna, Virginia, consulting firm, found that practically all put time-based strategy, as the new approach is called, at the top of their priority lists. Why? Because speed kills the competition.

Quickly developing, making, and distributing products or services brings important, sometimes surprising competitive benefits. Market share grows because customers love getting their orders *now*. Inventories of finished goods shrink because they aren't necessary to ensure quick delivery; the fastest manufacturers can make and ship an order the day it's received. For this and other reasons, costs fall. Many employees become more satisfied because they're working for a more responsive, more successful company and because speeding operations requires giving them more flexibility and responsibility (though the changes can be controversial—see following story).

Even quality improves. Explains Hewlett-Packard Chief Executive John Young, a leading apostle of speed: "Doing it fast forces you to do it right the first time." By placing speed at the heart of his strategy, Young has enabled his company to turn out computer terminals at lower cost than those master clonemakers, the Taiwanese. In FORTUNE's seventh annual survey of corporate reputations, published in the last issue, computer executives and security analysts ranked Hewlett-Packard the most admired company in its industry—displacing perennial champ IBM.

Speed often pays off in product development even if it means going over budget. An economic model developed by the McKinsey & Co. management consulting firm shows that high-tech products that come to market six months late but on budget will earn 33% less profit over five years. In contrast, coming out on time and 50% over budget cuts profits only 4%.

Little wonder that corporate speed is becoming a principal topic of study among management consultants and business school professors. It has the conceptual heft to influence virtually every operation in every company. What manager doesn't feel overwhelmed by the confusing catalogue of "hot" management methods? What's the magic recipe? Is it just-in-time inventory blended with quality circles or, uh, the flat organization and a pinch of pay for knowledge? All are valuable tools, but none by itself is the answer.

"Thinking in terms of time," says Rudyard Istvan, a senior vice president at Boston Consulting Group, "gets all those activities working together for a common purpose." For example, Young declared early last year that Hewlett-Packard's breakeven time, or the interval between a new product's conception and profitability, including covering all development costs, must be cut in half across the entire corporation (see box). That can be done in many ways, but faster product development is one of the best. Faced with such a simple yet staggering goal, employees are forced to begin pulling in the same direction and deciding which management tools—just-in-time inventory, quality circles, new worker incentives—would best help meet it.

A company can generally find thousands of ways to speed operations, but masters of the game emphasize a few major tactics. Among them:

■ **START FROM SCRATCH.** Practically everyone agrees that the worst way to speed up a company is by trying to make it do things just as it does, only faster. The machinery—and certainly the workers—will simply burn out. Instead, smart executives announce a breathtakingly ambitious goal, like Young's target of halving breakeven time. No one can get there just by stepping on the gas, although some try. "The gut reaction," says Steven Wheelwright, a professor at the Harvard business school, "is, let's cut six months out. It's not, let's do the analysis and rethinking that will allow us to cut six months out."

Honda uses its Formula One race cars to keep speed in the corporate consciousness and teach engineers lessons for the factory.

TASK# A010: Describe the importance of reading current business news media.

But that's what it takes. Example: General Electric's rescue of its old and stagnant circuit breaker business. Says William Sheeran, a GE general manager: "We had to speed up or die." GE's $1-billion-a-year electrical distribution and control division in Plainville, Connecticut, makes, among other things, circuit breaker boxes for commercial buildings. When threatened in the early 1980s by the market's slow growth and tough competitors like Siemens and Westinghouse, GE assembled a team of manufacturing, design, and marketing experts that focused on overhauling its manufacturing process. The goal, suitably daunting, was to cut the time between a customer's order and delivery from three weeks to three days.

Time for radical thinking. GE was producing circuit breaker boxes in six plants around the U.S. Who needs six? The team decided that one plant would be more efficient, so in 1985 it consolidated its operations and focused on automating its factory in Salisbury, North Carolina.

But the team didn't want to automate operations as they were. In the old system, engineers custom-designed each box, a job that took about a week. They chose from 28,000 unique parts to create the boxes, and setting up an automated system to handle that many parts would have been a nightmare. So the design team made most of the parts interchangeable, reducing their number to 1,275 while still leaving customers a choice of 40,000 different sizes, shapes, and configurations of boxes.

The team also devised a way to cut out the engineers, replacing them with a computer. Now when a salesman enters specifications for a circuit breaker into a computer at GE's main office in Connecticut, the order flows to a computer at Salisbury, which automatically programs the factory machines to make circuit breaker boxes with minimum waste of material.

Impressive advances, but the team still had to conquer another source of delay: solving problems and making decisions on the factory floor. The solution was to get rid of all line supervisors and quality inspectors, reducing the organizational layers between worker and plant manager from three to one. Everything those middle managers used to handle—vacation scheduling, quality, work rules—became the responsibility of the 129 workers on the floor, who are divided into teams of 15 to 20. And what do you know: The more responsibility GE gave the workers, the faster problems got solved and decisions made.

Today the Salisbury plant basically runs itself at a rapid clip. On the factory wall a giant electronic sign hung 25 feet off the ground flashes in red letters, letting workers know how long it's taking them to make each circuit breaker box, how many boxes they have to make that day, and how many they've made so far. The sign lets employees pace themselves and make their own scheduling decisions. Says Dottie Barringer, an ebullient woman who has worked at the plant for the past 12½ years: "I like to be my own boss. I don't like to be told what to do. I know if I can't get it done in eight hours, I can do it in ten without getting permission for overtime. We're behind right now. No one has to tell us we have to work Saturday."

Results: The plant, which used to have a two-month backlog of orders, now works with a two-*day* backlog. Productivity has increased 20% over the past year. Manufacturing costs have dropped 30%, or $5.5 million a year, and return on investment is running at over 20%. The speed of delivery has shrunk from three weeks to three days for a higher-quality product with more features. GE is gaining share in a flat market. Says Sheeran: "We'd be out of business if we hadn't done it."

■ **WIPE OUT APPROVALS.** Consultants recommend that managers take a hard look at the number of times a product or service requires some sort of internal approval before reaching the customer. Philip Thomas, president of Thomas Group, a Dallas consulting firm specializing in speed, says that manufacturing typically takes only 5% to 10% of the total time between an order and getting a product to market; the rest is administrative. Says he: "Most people don't know how their own company works. Make a flow chart of your administrative process to show what's really happening out there. It usually shows that getting a product to market takes longer than people think."

Jack Reichert, CEO of Brunswick, the $3-billion-a-year sporting goods company, decided in the mid-Eighties that developing new products—outboard motors, automatic bowling scorecards, fishing reels—took too long. "Product development was like elephant intercourse," he says. "It was accompanied by much hooting, hollering, and throwing of dirt, and then nothing would happen for a year." A top amateur bowler who says he has modeled Brunswick on Japanese companies, Reichert cut the layers of management between him and the

SUPERFAST INNOVATORS

Company	Product	Development time OLD	Development time NEW
Honda	cars	5 years	3 years
AT&T	phones	2 years	1 year
Navistar	trucks	5 years	2.5 years
Hewlett-Packard	computer printers	4.5 years	22 mos.

SUPERFAST PRODUCERS

Company	Product	Order-to-finished-goods time OLD	Order-to-finished-goods time NEW
GE	circuit breaker boxes	3 weeks	3 days
Motorola	pagers	3 weeks	2 hours
Hewlett-Packard	electronic testing equipment	4 weeks	5 days
Brunswick	fishing reels	3 weeks	1 week

TASK# A010: Describe the importance of reading current business news media.

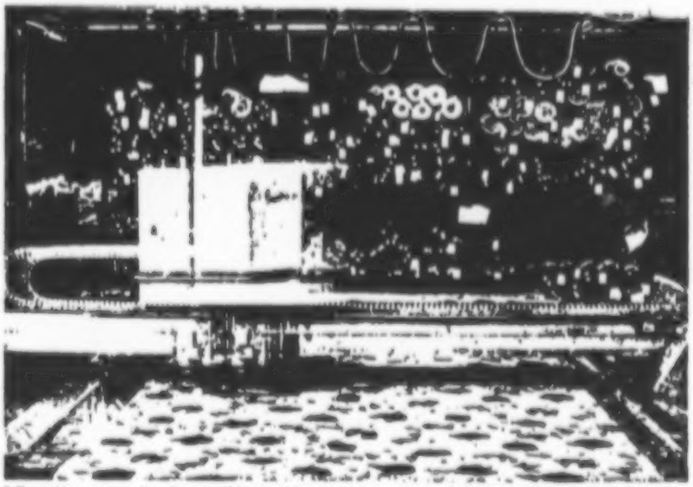
"When you're dealing on the edge of the envelope, when you're flying blind, there's always the temptation to take a little more time," says Scott Shamlin, a director of manufacturing at Motorola. "But we hold to schedule as a religion." Motorola's automated factory in Florida can build and ship an electronic pager some two hours after it receives an order. The job used to take three weeks. Motorola leads the U.S. pager market over Asian rivals.

■ REMEMBER DISTRIBUTION. Even the world's fastest factory won't offer much competitive advantage if everything it produces gets snagged in the distribution chain, a lesson Benetton, the Italian sportswear company, has knit in its heart. Located in Ponzano, Italy, Benetton makes and distributes 50 million pieces of clothing worldwide each year, mostly sweaters, slacks, and dresses.

Benetton found that the fastest way to run a distribution system is to create an electronic loop linking sales agent, factory, and warehouse. If, say, a saleswoman in one of Benetton's Los Angeles shops finds that she is starting to run out of a best-selling red sweater in early October, she calls one of Benetton's 80 sales agents, who enters the order in his personal computer, which sends it to a mainframe in Italy. Because the red sweater was originally created on a computer-aided design system, the mainframe has all its measurements on hand in digital code, which can be transmitted to a knitting machine. The machine makes the sweaters, which factory workers put in a box with a bar code label containing the address of the Los Angeles store, and the box goes into the warehouse. That's right—one warehouse serves Benetton's 5,000 stores in 60 countries around the world. It cost $30 million, but this distribution center, run by only eight people, moves 230,000 pieces of clothing a day.

Once the red sweaters are sitting snugly in one of 300,000 slots in the warehouse, a computer sends a robot flying. By reading the bar codes, the robot finds the right box and any other boxes being shipped to the Los Angeles store, picks them up, and loads them onto a truck. Including manufacturing time, Benetton can get the order to Los Angeles in four weeks. If the company already has red sweaters in stock, it takes one week. That's quite a performance in the notoriously slow garment industry, where hardly anyone else will even bother with reorders. And if Benetton suddenly realizes that it didn't make any, say, black cardigans and purple blouses this year and they're hot, it can manufacture and ship a "flash collection" of black cardigans and purple blouses in huge quantities in a few weeks.

■ PUT SPEED IN THE CULTURE. Honda did, and it definitely helps. Though the company entered Formula One auto racing only six years ago, cars powered by Honda engines have won this demanding annual circuit three times. By circulating young engineers through the Formula One team, Honda teaches its people the racing spirit, which means thinking about minutes, not hours. Shoichiro Irimajiri, a managing director at Honda, points out important similarities between the race track and the factory. "When a problem arises, you have to find the solution now. And if it is a problem you have never seen before, you have to have the flexibility to create a new solution on the spot."


A Benetton computer directs this machine to start cutting cloth soon after orders arrive.

Putting speed in the culture can be fun. Just look at Domino's Pizza, which has become America's second-largest pizza chain (after Pizza Hut) by promising customers a $3 discount on any pie that takes longer than 30 minutes to arrive at their home.

CEO Tom Monaghan, who reads the sports pages religiously, owns the Detroit Tigers, and jogs 6½ miles a day, has modeled his company on a professional sports league, with regional divisions competing to make the best pizza, deliver it faster, and sell more than the next region. Like quarterbacks on Monday mornings, Domino's pizza makers watch films of the fastest pizza makers in the country. A delivery person, whose uniform includes track shoes, must run from the truck to the house, taking stairs two at a time—elevators are forbidden because they take longer—carrying the pizza in his arms like a tailback headed for the goal line. Domino's franchisee in Washington, D.C., takes managers out every Monday for a six-mile jog. Says Monaghan: "Our whole business is built on speed."

The advantages of speed are undeniably impressive. But why should that be surprising? Why all the hoopla among management theorists? After all, it's not exactly a new precept that time is money.

True enough. What's new is a realization that time is an awful lot of money—far more than most executives understood. Warns Istvan of Boston Consulting Group: "If you come up against one of these fast corporations and you're not prepared, you're history." Those who grasp the new calculus, who appreciate the unprecedented advantages of getting new products to market sooner and orders to customers faster, may well hold the principal tool for achieving competitive preeminence in coming years. ■

TASK# A010: Describe the importance of reading current business news media.

KEY Points

1. Students should indicate some combination of increasing speed in developing, making, and distributing new products and services; starting from scratch to come up with ways to do things more efficiently and more quickly; wiping out approvals in order to cut red tape and still be accountable; forming teams to accomplish certain tasks; sticking to a schedule like glue; improving distribution systems so that there is always enough stock on hand; and instilling speed as part of the corporate culture.

2. Reading periodicals of this nature can help marketers come up with new and better ways of running their business. They may be competing with people who do read these materials and will be left behind if they don't stay one step ahead of the competition.

**Point values can be assigned based on the information the student has included compared to the key points that were covered.

ECONOMICS AND MARKETING

FUNDAMENTALS OF MARKETING

TASK# B001: Identify statements that best describe marketing.

Marketing is a coordinated system of business activities designed to provide products and services to satisfy the needs and wants of consumers. Determine which of the following statements describe marketing activities and place an "X" beside those statements.

_____ 1. The grand opening of the new mall was a tremendous success.

_____ 2. Alan and Mike opened a hot dog stand near the football stadium.

_____ 3. Tanya watched the last "Miami Vice" program on Friday night.

_____ 4. The announcement concerned the new policy on purchasing lunch tickets.

_____ 5. The President made a speech concerning the plight of the homeless.

_____ 6. Julie called "Merry Maids" to set up an appointment for spring cleaning.

_____ 7. Fast food restaurants make the highest profits on soft drink products.

_____ 8. The weatherman forecasts a dry spell for the Midwestern states.

_____ 9. The new skin care line by Clarion products was displayed at the end of the aisle for maximum exposure.

_____10. TWA was running a super saver special to Disneyworld in Florida.

FUNDAMENTALS OF MARKETING

TASK# B001: Identify statements that best describe marketing.

KEY

1. X
2. X
3.
4. X
5.
6. X
7. X
8.
9. X
10. X

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B001: Identify statements that best describe marketing.

WORDSEARCH

Circle the word that corresponds with the definition.

I	N	V	E	N	T	E	D	U	C	A	T	I	O	N	U
M	A	R	K	E	T	I	N	G	P	L	A	N	T	O	S
D	I	S	C	O	C	C	A	T	E	G	O	R	Y	G	D
H	O	W	S	C	O	U	T	M	E	R	C	H	A	N	T
F	A	S	T	E	N	S	P	R	I	C	E	T	A	G	S
L	A	M	P	E	E	T	R	R	Q	G	O	O	D	S	M
A	M	B	E	R	J	O	O	E	S	T	O	R	E	E	D
V	H	J	O	N	A	M	M	T	L	A	U	R	A	R	C
O	E	S	H	O	P	E	O	A	N	S	W	E	R	V	U
R	X	A	D	V	E	R	T	I	S	I	N	G	T	I	P
Q	D	I	A	N	E	S	I	L	A	B	A	D	I	C	E
U	M	E	T	E	O	R	O	E	P	E	O	P	L	E	T
A	D	V	E	R	S	E	N	R	K	Y	W	I	T	S	S
D	I	S	T	R	I	B	U	T	I	O	N	L	I	Z	O
S	M	I	T	E	M	I	Z	Z	O	U	E	E	P	O	C
Z	S	T	E	D	I	A	N	E	U	R	W	A	S	O	K

1. Products grown or manufactured and prepared for sale.

2. Benefits or satisfactions that improve the personal appearance, health , comfort or peace of mind of their users.

3. Any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.

4. Creation of a favorable impression for a product, service, or organization to earn public understanding and acceptance.

5. Salespeople, cashiers, service-station attendants, real estate agents, florists or automobile dealers

6. The process of moving, handling, and storing goods on the way from producers to consumers.

7. The exchange of goods or services for money.

8. Anyone who buys or rents goods or services.

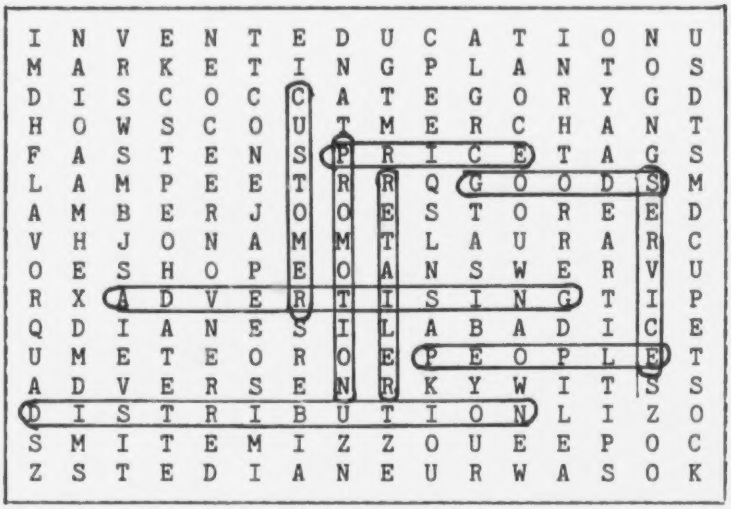
9. A business that sells goods and services to the people who use them.

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B001: Identify statements that best describe marketing.

WORDSEARCH

1. Goods
2. Service
3. Advertising
4. Promotion
5. People
6. Distribution
7. Price
8. Customer
9. Retailer



I	N	V	E	N	T	E	D	U	C	A	T	I	O	N	U
M	A	R	K	E	T	I	N	G	P	L	A	N	T	O	S
D	I	S	C	O	C	C	A	T	E	G	O	R	Y	G	D
H	O	W	S	C	O	U	T	M	E	R	C	H	A	N	T
F	A	S	T	E	N	S	P	R	I	C	E	T	A	G	S
L	A	M	P	E	E	T	R	R	Q	G	O	O	D	S	M
A	M	B	E	R	J	O	O	E	S	T	O	R	E	E	D
V	H	J	O	N	A	M	M	T	L	A	U	R	A	R	C
O	E	S	H	O	P	E	O	A	N	S	W	E	R	V	U
R	X	A	D	V	E	R	T	I	S	I	N	G	T	I	P
Q	D	I	A	N	E	S	I	L	A	B	A	D	I	C	E
U	M	E	T	E	O	R	O	E	P	E	O	P	L	E	T
A	D	V	E	R	S	E	N	R	K	Y	W	I	T	S	S
D	I	S	T	R	I	B	U	T	I	O	N	L	I	Z	O
S	M	I	T	E	M	I	Z	Z	O	U	E	E	P	O	C
Z	S	T	E	D	I	A	N	E	U	R	W	A	S	O	K

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B002: Explain the importance of marketing in our economy.

Directions: Divide the class into two teams for a debate. One team will be asked to show that marketing activities are not beneficial to consumers or to the economy. The other team will explain the importance of marketing in our economy. Students should be allowed time to research their position, the opposing team's position, and to divide responsibilities. The debate may be videotaped in order to review the major points for discussion. If the class is too large for this activity to be effective, create teams for several debates on the same topic. You may wish to encourage competition between the debate teams by providing an incentive for the best debate.

TASK# B002: Explain the importance of marketing in our economy.

DEBATE RULES

Each debate team member will be responsible for a three minute presentation on an issue or issues that supports their position and a one minute rebuttal of an opposing team member's presentation. Each team will decide the order of presentations by their team members and the order of their members' rebuttals.

Team A will open the debate (a flip of a coin will determine which team is A and which is B). A member of Team A will begin the debate with a three minute presentation of an issue or issues supporting their position. A member of Team B will then have one minute for rebuttal. A member of Team B will then have three minutes for their presentation. A member of Team A will then have one minute for rebuttal. This process will continue until all team members have given both a three minute presentation and a one minute rebuttal. After five minutes for discussion and planning, each team will have two minutes for concluding remarks. The concluding remarks may be made by one member or the entire team.

During the debate do not hesitate to show enthusiasm for your side of the issue. Even though you may not actually believe in the points you are making, the debate is a learning situation and there may be class members who agree with your statements.

The debate will be graded based upon the attached rating sheet.

GOOD LUCK!

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B002: Explain the importance of marketing in our economy.

DEBATE RATING SHEET

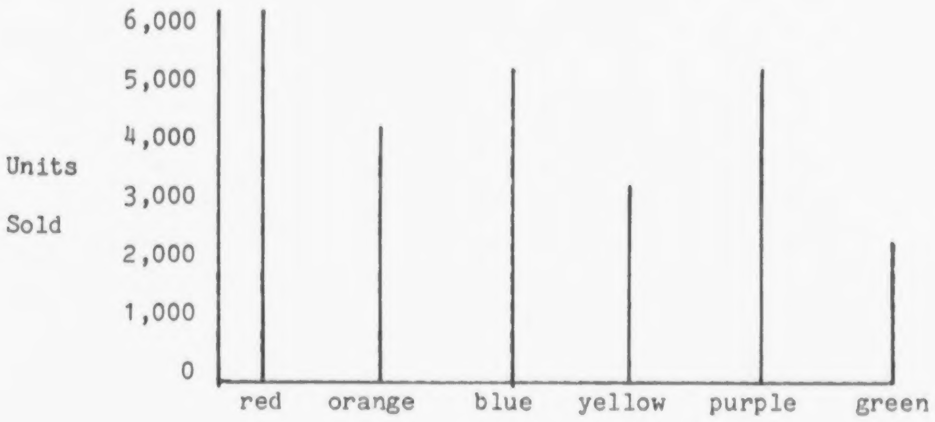
Criteria	Poor	Average	Good	Excellent
1. The debater was prepared for the debate.				
2. The debater cited arguments that were				
3. The debater cited a sufficient number of arguments to support his/her position.				
4. The debater was prepared to counter arguments presented by the other side.				
5. The debater did not "give up".				

FUNDAMENTALS OF MARKETING

TASK# B003: Recognize that economic goods are the products and services offered to meet consumer needs and wants.

Consumers cast votes to determine what will be produced in terms of the dollars that are spent for products. You are the manager of Color, Inc. Color, Inc. has determined that sales of less than 4,000 units demonstrate that the product is not satisfactorily meeting consumers' needs and wants. Your last years quantities sold are as follows.

Summer, 19___



What colors would you order for the upcoming summer and what is the basis for the decision you made?

TASK# B003: Recognize that economic goods are the products and services offered to meet consumer needs and wants.

KEY

Based on last summer's sales, all colors meet consumer needs, but red, blue, orange and purple are in the most demand. For the upcoming summer, the plan should be based on:

trends -

past sales -

quantities purchased -

seasonal sales -

purchases should be

red -

blue -

orange -

purple -

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B004: Define economics as a process.

TASK# B005: Identify economic activities.

Choose the term in the right hand column that best matches the definition or activity in the left hand column. Write the letter in the blank provided.

_____ 1. land, minerals, water, plant life

_____ 2. people who are able to work and who are seeking work or actually working

_____ 3. machinery, tools, buildings and money used in the production and distribution of goods and services to consumers

_____ 4. people who decide how natural resources, capital and labor will be used to make the greatest contribution to business and society

_____ 5. regulations, taxes and social services that influence the activity of producing, distributing or consuming goods and services

_____ 6. process by which human wants and needs are satisfied

A. management

B. government

C. labor

D. economics

E. capital

F. natural resources

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B004: Define economics as a process.

TASK# B005: Identify economic activities.

KEY

1. F
2. C
3. E
4. A
5. B
6. D

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B006: Explain the importance of economics.

Fill in the blank with the appropriate letter that corresponds with the word that best completes the sentence.

A. wants
B. air
C. sunshine
D. rain
E. snow

F. purchasing
G. important
H. life
I. incomes

J. value
K. economics
L. buy
M. service

N. activities
O. process
P. most
Q. least

1. Economics can be described as a ___________ of getting the _________ with the _________.

2. Every time we ___________ products and ___________, we are engaging in economic ___________.

3. When we exchange something of monetary ___________ to get something else that we want, we are engaging in ___________.

4. For most people, ___________ are limited.

5. For most people, ___________ are unlimited.

6. Examples of non-economic things are ___________, ___________, ___________, and ___________.

7. ___________ a ski lift ticket at Mount Cold in Vail is an example of an economic activity.

8. It is important to study economics because it is an ___________ part of everyone's ___________.

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B006: Explain the importance of economics.

KEY

A. wants
B. air
C. sunshine
D. rain
E. snow
F. purchasing
G. important
H. life
I. incomes
J. value
K. economics
L. buy
M. service
N. activities
O. process
P. most
Q. least

1. Economics can be described as a ____O____ of getting the ____P____ with the ____Q____.

2. Every time we ____L____ products and ____M____, we are engaging in economic ____N____.

3. When we exchange something of monetary ____I____ to get something else that we want, we are engaging in ____K____.

4. For most people, ____G____ are limited.

5. For most people, ____A____ are unlimited.

6. Examples of non-economic things are ____B____, ____C____, ____D____, and ____E____.

7. ____F____ a ski lift ticket at Mount Cold in Vail is an example of an economic activity.

8. It is important to study economics because it is an ____G____ part of everyone's ____H____.

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B007: Identify three major types of economic resources.

Directions: Circle the type of economic resource each of the following represents.

		Type of Economic Resource		
1.	Salesperson	Land	Labor	Capital
2.	Solar Energy	Land	Labor	Capital
3.	Factory Worker	Land	Labor	Capital
4.	Manufacturing Plant	Land	Labor	Capital
5.	Coal	Land	Labor	Capital
6.	Training Specialist	Land	Labor	Capital
7.	Office Equipment	Land	Labor	Capital
8.	Iron Ore	Land	Labor	Capital
9.	Production Equipment	Land	Labor	Capital
10.	Financial Investment	Land	Labor	Capital
11.	Farmer	Land	Labor	Capital
12.	Oil	Land	Labor	Capital

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B007: Identify three major types of economic resources.

KEY

Directions: Circle the type of economic resource each of the following represents.

		Type of Economic Resource		
1.	Salesperson	Land	[✓ Labor]	Capital
2.	Solar Energy	[✓ Land]	Labor	Capital
3.	Factory Worker	Land	[✓ Labor]	Capital
4.	Manufacturing Plant	Land	Labor	[✓ Capital]
5.	Coal	[✓ Land]	Labor	Capital
6.	Training Specialist	Land	[✓ Labor]	Capital
7.	Office Equipment	Land	Labor	[✓ Capital]
8.	Iron Ore	[✓ Land]	Labor	Capital
9.	Production Equipment	Land	Labor	[✓ Capital]
10.	Financial Investment	Land	Labor	[✓ Capital]
11.	Farmer	Land	[✓ Labor]	Capital
12.	Oil	[✓ Land]	Labor	Capital

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B008: Identify examples of economic resources according to major type.

Directions: Choose the economic resource in the right-hand column which best describes the example in the left-hand column. Write the letter in the space provided.

_____ 1. trees

_____ 2. a business loan

_____ 3. interstate commerce law

_____ 4. tools

_____ 5. diamond mine

_____ 6. marketing education student seeking work

_____ 7. self employed business person

A. land

B. labor

C. capital

D. management

E. government

TASK# B008: Identify examples of economic resources according to major type.

KEY

1. A
2. C
3. E
4. C
5. A
6. B
7. D

TASK# B009: Explain the meaning of private free enterprise.

Read the article, "Free Enterprise-Is This Any Way To Live?" The answer the following questions.

1. What is meant by private free enterprise?

2. Does free enterprise exploit people? Explain.

3. Does the free enterprise system make people selfish and materialistic?

TASK# B009: Explain the meaning of private free enterprise.

FREE ENTERPRISE-IS THIS ANY WAY TO LIVE?

The way we earn our "daily bread" in this country is under attack as never before. It's time to face up to the question . . .

Every time you pick up a paycheck, buy a gallon of gas or make a bank deposit, you renew your active membership in the American free market. Our economic system's almost infinite freedom of choice—between house and condominium, one supermarket and another, large car and small—is the "humdrum" reality of the highest standard of living in the world.

And yet a vocal group of economists, social reformers, "consumer advocates" and other self-proclaimed critics are trying to convince us that our system is evil, that we should feel guilty about the way we live. Indeed, one of them says that our system "has issued a death sentence against the individual human spirit" and "plunged our country into its present economic chaos, destroyed the lives of millions of families and threatened the very survival of the republic."

Strong stuff. But is it even partially true? Maybe it's time to remind ourselves of a few facts as we consider the following charges against our way of life:

- **Free enterprise exploits people.** The critics say that the system degrades man, making him a cog in the industrial machine, repressing his individualism. Yet how can they reconcile this darkly tinted 19th-century view with the Pittsburgh steelworker who hitches his motorboat to his new car and heads for his cottage on Deep Creek Lake, Md., on summer weekends, or the machine operator in Dayton who rises to plant manager? The view is hardly compatible with the fact that median family real income (figured in constant dollars) has nearly trebled since 1939. Nor does it jibe with polls showing that Americans 8 to 1 like their jobs.

- **The free enterprise system makes us selfish and materialistic.** No one doubts that our economic system has produced an extraordinary abundance of material goods. And it is true that "average Americans" spend nearly half their total income on what they *want* (the other half takes care of necessities—food, clothing, housing). No people have ever lived so comfortably. But the record indisputably shows that, even as they have enjoyed and insisted upon material benefits, they have poured out much of their material wealth unselfishly. In 1965, for example, we gave $12.2 billion to churches, hospitals, schools and a dizzying variety of charitable causes. Last year, despite recession, we gave $25.2 billion, a seven-percent jump over 1973.

And we give of our time, too—much of that time free because of material things that shorten our working hours at home and on the job. We compose an army of 37 million volunteers—hospital workers, Little League coaches, den mothers, helping hands for the elderly and the retarded. The world's most materially wealthy society has brought a peculiarly vital effectiveness to the concept of volunteerism.

- **Our way of life debases our taste.** The critics picture us as helpless slaves to manufacturers, addicted to a stream of frivolous products put out purely for profit. But if we

TASK# B009: Explain the meaning of private free enterprise.

don't want such products, we don't buy them. The choice is *ours*.

Critics also blame the system for the fact that some of us persist in eating "junk food" or listening to "awful noise" on the radio. They're afraid that we'll make the "wrong" choice between wool and nylon, pretzels and carrot cookies. Yet the very genius of the market enables us to make such choices freely and in abundance. "Indeed," notes economist Milton Friedman, "a major source of objection to a free economy is precisely that it does this task so well. It gives people what they want instead of what a particular group thinks they ought to want. Underlying most arguments against a free market is a lack of belief in freedom itself."

- **Free enterprise concentrates wealth and power in the hands of a few.** In no other society is wealth so obviously in reach of its people. The Bureau of Census reports 59.2 percent of national income goes to the 103 million people in families making $10,000 to $25,000. More significant, in 1962 there were 464,000 households making over $25,000. By 1973, there were *5.4 million* such households—a more than tenfold increase—astounding even when inflation is taken into account. One indicator of how wealth is distributed in America: two out of every three families own or are purchasing the dwelling in which they live.

Well, then, say the critics, wealth and power must be in the hands of big corporations. But who are these corporations? They are more than 31 million Americans who own corporate stock, plus more than 100 million others who indirectly share in ownership through stock owned by life-insurance companies, pension funds, etc.

Says economist Charls Walker, "I know it's fashionable to say that the big interests run the government. But if that's true, how in the world were the taxes of 'big interests' raised by $6.5 billion in the 1969 Tax Reform Act? And why haven't those 'big interests' prevented the passage of inimical regulatory acts?" Because the *people*—who run the marketplace—still run the country.

Perhaps you've noticed that the case against the free market is seldom made on hard economic grounds, but rather on hard-to-pin-down philosophical issues. That's because the facts of performance are so overwhelmingly in its favor.

Here are some figures: With seven percent of the world's land area and six percent of the population, we produce 33 percent of the world's goods and services (about equal to the total output of Western Europe and Japan combined). Although our labor force is approximately two-thirds the size of the Soviet Union's, we produce twice as much as the Russians do each year. In 1940, one American farm worker fed about ten people. Today, a single American farm worker feeds 54 people here and abroad.

But all the evidence of the system's well-known efficiency and productivity is ultimately not as important as a certain intangible that looms larger than mere economics. This is the subtle blend of freedom and order inherent to the marketplace. *You* are free to decide how best your skills can be applied, where you will work, what you will buy with your earnings. Can you imagine some central authority deciding who will be a tool-and-die maker in Latrobe, Pa., or a vacuum-cleaner repairman in Keokuk? The free market monitors an incredibly complex assortment of prices, wages, resources, skills, needs, desires—and yet it leaves *you* in control.

ECONOMICS AND MARKETING

FUNDAMENTALS OF MARKETING

TASK# B009: Explain the meaning of private free enterprise.

KEY

1. Private free enterprise is the freedom to choose where we work and how we spend our money.

2. No. We have the choice to work where we want and this doesn't repress individualism.

3. No. We are not a selfish nation. We have many people that do volunteer work.

FUNDAMENTALS OF MARKETING

TASK# B010: Describe the different types of business ownership.

Assignment

Write a description for each of the following types of business ownerships.

PARTNERSHIP

CORPORATION

COOPERATIVE

SOLE PROPRIETORSHIP

FRANCHISE

FUNDAMENTALS OF MARKETING

TASK# B010: Describe the different types of business ownership.

KEY

Answers will vary but should address:

Partnership - business that are owned by two or more persons

Corporation - a group of individuals organized by a charter granted by the state

Cooperatives - a business that is owned by its users, designed to supply products/services to its members, not to make a profit

Sole Proprietorship - owned and operated by one person

Franchise - owned by individual who uses franchiser's operating method, financial assistance, trade marks, and products/services in return for a payment of a fee

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B011: Compare and contrast the three major economic systems.

TASK# B012: Identify the characteristics and values of capitalistic, socialistic, and communistic economic systems.

Identify the following characteristics and values that typically fit under the three economic systems. Write a "C" for capitalistic, "S" for socialistic, or "CO" for communistic.

_____ 1. classless society

_____ 2. free health care in a welfare state

_____ 3. all industries and resources owned by government

_____ 4. free to advance personal interest

_____ 5. free public transportation

_____ 6. protected trademarks

_____ 7. based on political doctrine of Karl Marx

_____ 8. supports private industry

_____ 9. government makes economic decisions

TASK# B011: Compare and contrast the three major economic systems.

TASK# B012: Identify the characteristics and values of capitalistic, socialistic, and communistic economic systems.

KEY

1. CO
2. S
3. CO
4. C
5. S
6. C
7. CO
8. C
9. S

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B013: Define Profit.

TASK# B015: Explain why profit is an essential part of the private free enterprise system.

Direction: Fill in the blank with the correct word(s) that best complete the sentences.

1. The monies that businesses take in from the sale of their goods and services are called ______________.

2. The monies that businesses must pay out in order to operate the business are called ______________.

3. If the costs of running a business are greater than the amount of money taken in from sales, the business will experience a ______________.

4. The amount of money remaining after business costs have been subtracted from business receipts, is called ______________.

5. The two general categories of business expenses are ______________ and ______________.

6. Five typical examples of business operating expenses are:
   a.
   b.
   c.
   d.
   e.

7. ____________________ = Selling Price - Cost of Merchandise

8. __________________=Selling Price - Cost of Merchandise - Operating Expenses

9. ____________________ is the actual or true profit.

10. ______________ is an essential part of the private free enterprise system because ____.

FUNDAMENTALS OF MARKETING

TASK# B013: Define Profit.

TASK# B015: Explain why profit is an essential part of the private free enterprise system.

KEY

1. Income
2. Expenses
3. Loss
4. Profit
5. Cost of Merchandise and Operating Expenses
6. Possible answers might include: salaries, rent, equipment, advertising, insurance, supplies, bad debts, donations, power, water, heat, telephone, taxes, etc.
7. Gross Profit
8. Net Profit
9. Net Profit
10. Profit - it is the only reason to be in business

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B016: Define supply and demand.

TASK# B018: Describe the influences and interactions of supply and demand.

TASK# B019: Identify that the market price of a product is based on what a consumer is willing to give and what a seller is willing to take.

Directions: Define the concepts of supply and demand. Develop a graph from the following information and determine demand at a given price.

Demand:

Supply:

Customers are willing to pay:

$15.00 for a quantity of 5
$12.00 for a quantity of 10
$10.00 for a quantity of 20
$ 7.00 for a quantity of 30
$ 5.00 for a quantity of 40

Suppliers are willing to offer:

$ 5.00 for a quantity of 5
$ 7.00 for a quantity of 10
$10.00 for a quantity of 20
$12.00 for a quantity of 30
$15.00 for a quantity of 40

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B016: Define supply and demand.

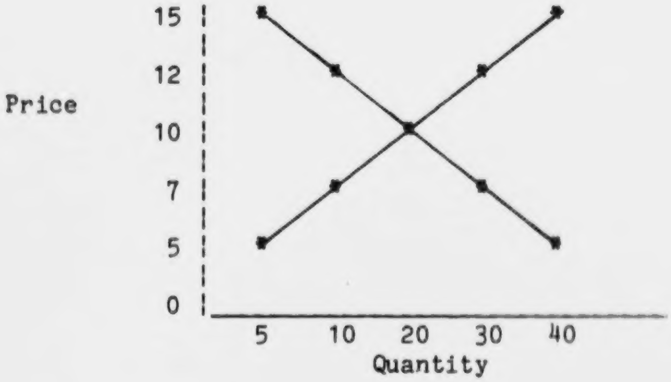
TASK# B018: Describe the influences and interactions of supply and demand.

TASK# B019: Identify that the market price of a product is based on what a consumer is willing to give and what a seller is willing to take.

KEY

Demand: The ability and desire of consumers to buy economic goods and services.

Supply: The goods and services that are available for sale.



$10.00 for quantity of 20

FUNDAMENTALS OF MARKETING

TASK# B017: Distinguish between buyer's and seller's markets.

Directions: For each of the following situations, identify if it is a seller's market (S) or a buyer's market (B).

_____ 1. Winter coats for sale in March

_____ 2. Winter coats for sale in November

_____ 3. Christmas cards for sale in January

_____ 4. Christmas cards for sale in November

_____ 5. Pumpkins for sale in October

_____ 6. Notebooks for sale in August

_____ 7. Rakes for sale in September

_____ 8. Snow blowers for sale in March

_____ 9. Sand box toys for sale in June

_____10. Bedding plants for sale in May

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B017: Distinguish between buyer's and seller's markets.

KEY

B 1. Winter coats for sale in March

S 2. Winter coats for sale in September

B 3. Christmas cards for sale in January

S 4. Christmas cards for sale in November

S 5. Pumpkins for sale in October

S 6. Notebooks for sale in August

B 7. Rakes for sale in September

B 8. Snow blowers for sale in March

S 9. Sand box toys for sale in June

B 10. Bedding plants for sale in May

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B020: Identify the effects of competition on buyers and sellers.

The Plane Game

Brief Description of Activity:

This is a learning game that allows students to experience the effects of competition in the market place. By playing the game, students can gain a better understanding of the role of competition in our private enterprise system.

Materials Needed:

1. Copies of game instructions.
2. Red, white, and blue chips or paper cutouts used for money. (May also use play money)
3. Play money
4. Plain 8 1/2" x 11" paper

Purpose: **The Plane Game** is designed to provide students with a better understanding of the role played by competition in a private enterprise system. By playing the game, students can directly experience the effects competition has on buyers and sellers.

Organization

Playing Teams: Players are organized into 5 teams (2-5 players per team) representing the following groups:

	TEAMS	ROLES
SELLERS	1. Airline Manufacturer No. 1 2. Airline Manufacturer No. 2	Both manufacturers produce and sell large, medium, and small planes for profit.
BUYERS	3. U. S. Government	Buys large, medium, and small planes for military and other government uses.
	4. Commercial Airline Company	Purchases large and medium planes for paying passengers.
	5. Private Owners	Represent individuals who buy medium and small planes for their private use (players work as a team for game purposes.)

TASK# B020: Identify the effects of competition on buyers and sellers.

The Plane Game (continued)

Money: Obtain red, blue, and white chips or paper cutouts to use as money for buying and selling planes. Values for each color are:

Red - $1,000 each
Blue - 500 each
White - 100 each

(Note: If desired, play money could also be used.)

Production: Plain sheets of 8 1/2" x 11" paper should be used as the raw material for building aircraft. Manufacturers may purchase paper from the teacher only during the **"Planning Session."** Cost per sheet is $1,000. In constructing planes, manufacturers must use 1-full sheet for large planes, 1/2 sheet for medium planes, and 1/4 sheet for small planes. Planes may be decorated using pens, pencils, crayons, markets, or any other available materials.

How to Play

Step 1 - Group players into the 5 playing teams. Each team should select a leader and a banker (to handle the team's money). The selling teams (manufacturers) may want to name their companies and develop signs, slogans, trademarks, etc.

Step 2 - Each team begins the game with a specific amount of money. Allocate starting amounts for each team as follows:

Sellers ($10,000 per team)		Buyers ($32,000 per team)	
4 Red Chips	= $ 4,000	20 Red Chips	= $20,000
10 Blue Chips	= $ 5,000	20 Blue Chips	= $10,000
10 White Chips	= $ 1,000	20 White Chips	= $ 2,000
Total	= $10,000	Total	= $32,000

TASK# B020: Identify the effects of competition on buyers and sellers.

The Plane Game (continued)

Step 3 - Play begins with a 15-20 minute **planning session.** During this session, the members of each team should work together to make their plans and develop their marketing or buying strategy. Listed below are some examples of things that the different teams may with to discuss.

Sellers:

a. How much paper to buy? (Remember that raw materials may only be purchased during the **planning session.**)

b. Whether to build large planes, medium planes, small planes, or planes of all 3 sizes.

c. How to build and decorate the planes?

d. Which buyers will the company sell to?

e. What prices will be charged?

f. How to promote and sell the product?

g. How to overcome competition from the other manufacturer?

Buyers:

a. What kinds of planes to buy? Appearance?

b. How much is the team willing to pay for the planes?

c. Which manufacturer to deal with? Both?

d. What kind of quality will be acceptable for planes purchased?

e. How to negotiate with sellers and how to make purchases?

Step 4 - When the **planning session** is finished, the teams are ready to begin the **trading session.** The focus of this session is on the actual production, buying, and selling of planes. The **trading session** may last 15-20 minutes, or as long as active trading is going on. At the appropriate time, the teacher should announce the end of the round and all trading must cease. Note: Buyer teams are required to complete at least 2 transactions per round of play.

TASK# B020: Identify the effects of competition on buyers and sellers.

The Plane Game (continued)

Step 5 - Repeat steps 3 and 4. If possible, players should complete a minimum of 2 rounds of play.

Step 6 - Winning - In **The Plane Game**, there are two different winners: a winning seller team and a winning buyer team. To determine the winner in each category, follow these procedures:

Sellers: The winning seller team will be the manufacturer who has earned the most "profits" by the end of the game. To compute their profits, the teams should deduct the value of all left-over planes from the amount of money they have at the end of the game. Left-over planes should be valued at cost prices: $1,000 for large planes, $500 for medium planes, and $250 for small planes.

Buyers: The winning buyer team will be the one with the greatest "total worth" at the end of the game. To determine their total worth, the teams should first compute the total value of the planes they have purchased during the game. Again, planes should be valued at: $1,000 for large planes, $500 for medium planes, and $250 for small planes. Once computed, the value of the planes should be added to the amount of money they have remaining. This figure represents their "total worth".

TASK# B020: Identify the effects of competition on buyers and sellers.

Use the following questions either orally or in written form to evaluate the objectives.

1. What were the goals of each team?
2. What roles did players assume within each team?
3. In what ways did the teams compete against each other?
4. In what ways did they cooperate?
5. How did the competition affect the selling teams? Buying teams?
6. How did competition affect prices?
7. How would you define competition?
8. What would happen if the groups did not compete with each other?
9. Do you think the government (teacher) should have exercised more control over the game and/or the amount of competition?

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B021: Explain why competition is important to the successful functioning of a private free enterprise system.

Assignment

In a written report explain why competition is important to the successful function of a private free enterprise system.

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B021: Explain why competition is important to the successful functioning of a private free enterprise system.

KEY

Answers will vary but should include:

- Rivalry among businesses for customers causes businesses to change and grow, thus improving living conditions for everyone.
- Causes innovativeness
- Keeps prices under control
- Increases GNP
- Helps determine what will be produced

FUNDAMENTALS OF MARKETING

TASK# B023: Explain the functions involved in marketing products and services.

Place the following marketing functions in the order in which they occur by placing the number 1 for the first function, the number 2 for the second function, etc.

_____ Pricing

_____ Selling

_____ Packaging

_____ Buying

_____ Warehousing

_____ Promoting

_____ Servicing

_____ Financing

_____ Researching

_____ Transporting

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B023: Explain the functions involved in marketing products and services.

KEY

8 Pricing

9 Selling

3 Packaging

7 Buying

5 Warehousing

6 Promoting

10 Servicing

2 Financing

1 Researching

4 Transporting

FUNDAMENTALS OF MARKETING

TASK# B024: Define the meaning of a market for a product.

TASK# B025: Describe how a market for a product can be identified.

TASK# B026: Identify demographic characteristics that would compose market segments for particular products.

You have just invented a new product (your choice) and want to get it in the market place as soon as possible. Use the following guidelines to write a report.

Guidelines:

1. Briefly describe the product.

2. Identify whether it is a product in the consumer or industrial market. Describe how you identified the market including a definition of a market for a product.

3. List the demographic characteristics that compose the market for your product.

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B024: Define the meaning of a market for a product.

TASK# B025: Describe how a market for a product can be identified.

TASK# B026: Identify demographic characteristics that would compose market segments for particular products.

KEY

Product Plan and demographics:

Did the student address:	YES	SOMEWHAT	NO
1. occupations			
2. family cycle single, married, mature			
3. life style social activity, cultural activity, fashion consciousness, sports participation			
4. income individual or family unit			
5. age			
6. residence urban, suburban, rural			
7. product description physical features			
8. specific product item			
9. product line group to be classified with			
10. product mix well companies, be interested in adding			
11. definition of a market			
12. identify the market segment			

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C005, C006, C007, C008, C010:

KEY

Resume included:	YES	SOMEWHAT	NO
1. personal information			
2. professional objective			
3. education			
4. work experience			
5. awards, scholarships			
6. use of action words			
7. use of self-descriptive words			
8. references			
Application:			
9. answered all questions			
10. supplied vital information (name, social security number, phone number, references)			
11. was neat			
12. had accurate spelling and proper grammer			
13. wrote "N/A" when quesitons did not apply			
Interview: The student;			
14. showed preparedness			
15. answered questions honestly			
16. dressed appropriately			
17. had good grooming and correct posture			
18. had appropriate mannerisms			
Follow up: The student;			
19. thanked interviewer for time			
20. left promptly			
21. sent follow-up letters			

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B027: Define channel of distribution.

TASK# B028: Describe two basic types of distribution.

TASK# B029: Describe the functions performed by channel intermediaries.

TASK# B030: Explain the meaning of integrated distribution.

You are a manufacturer of a new style of kitchen appliances. Develop a poster showing the type of distribution you would choose, what intermediaries' functions would be and an integrated outlet.

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

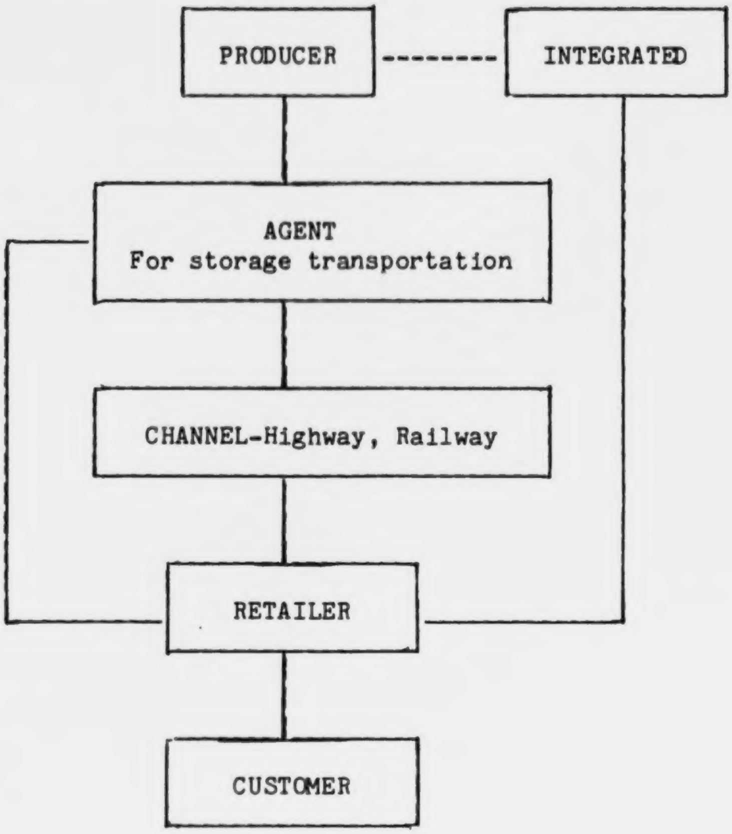
TASK# B027: Define channel of distribution.

TASK# B028: Describe two basic types of distribution.

TASK# B029: Describe the functions performed by channel intermediaries.

TASK# B030: Explain the meaning of integrated distribution.

KEY


PRODUCER
INTEGRATED
AGENT
For storage transportation
CHANNEL-Highway, Railway
RETAILER
CUSTOMER

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B022: Define marketing functions.

TASK# B031: Define Gross National Product.

TASK# B032: Identify components of GNP calculations.

TASK# B033: Explain why the U.S. GNP has continued to grow.

Brief Description of Activity:
This Jeopardy game is designed to measure the students' knowledge of the concepts of profit, marketing functions, GNP, and channels of distribution.

Rules & Instructions:

1. Divide the class members into equal teams. Teams can be designated by colors (red, blue, orange, yellow, etc.) Team members should sit together.
2. Place a row of chairs at the front of the room (1 chair for each team). Tape a piece of colored construction paper on the board behind each chair to designate each team's place.
3. Each team will send a representative to the front of the room.
4. When the host reads the answer, the first person who stands up will be called to give the question for the answer. The host will call the name of the person who may respond. All responses must be in question form (ex. What is profit?).
5. After a team member responds (correctly or incorrectly) he/she must be replaced by another team member.
6. Money should be awarded or taken away from the teams after each play. The scorekeeper should also be recording each transaction on the board or on paper.
7. The team with the most cash will win the game. The teacher may wish to provide an incentive of some type for the winning team.

Materials and personnel needed:
1. Transparency of Jeopardy game board
2. Cardboard/paper squares to place over categories as they are used.
3. Play money
4. Answers and questions
5. A game show host (should be a person other than the teacher)
6. Judge and facilitator (teacher)
7. Scorekeeper
8. Colored construction paper

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B022, B031, B032, B033:

Category	Amount	Answer	Question
Profit	$100	The monies that business takes in from the sale of goods and services.	What is profit?
	$200	The cost of goods and services to consumers.	What is price?
	$300	The selling price of products minus the cost of merchandise.	What is gross profit?
	$400	The selling price of products minus the cost of merchandise and operating expenses.	What is net profit?
	$500	The reason people engage in the production and sale of economic goods and services	What is profit incentive?
GNP	$100	What the letters GNP stand for.	What is Gross National Product?
	$200	The total dollar value of all goods and services produced by a country in a year.	What is GNP?
	$300	How well the people in a nation live.	What is the standard of living?
	$400	Consumer spending, business investment, exports, government spending & imports	What is GNP?
	$500	Population increases, increases in the labor force, productivity of workers, technological advances, and the specialization of labor.	What are factors that affect GNP growth?

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B022, B031, B032, B033:

Category	Amount	Answer	Question
Channels of Distribution	$100	The producer sells directly to consumer with no middlemen involved.	What is manufacturer to consumer?
	$200	This channel does their own selling, warehousing, delivering and financing to large retail establishments.	What is manufacturer to retailer to consumer?
	$300	The most frequently used channel of distribution from producers to storage facilities to business establishments	What is manufacturer to wholesaler to retailer to consumer?
	$400	The producer handles storage and transportation but does not hire a sales force.	What is manufacturer to agent to retailer to consumer?
	$500	Interorganizational systems used to move products from manufacturers to retailers.	What is a channel of distribution?
Market Functions	$100	Advertising and display strategies designed to increase customer demand.	What is promoting?
	$200	The function of marketing that deals with storing and moving products.	What is warehousing and transportation?
	$300	The function that requires marketers to find customers, meet competition, and set prices.	What is selling?
	$400	This function involves the selection of the products or services to be sold and the negotiations of terms of sale with the manufacturers or vendors.	What is buying?

TASK# B022, B031, B032, B033:

Economics and Marketing Jeopardy

Profit	Marketing Functions	G.N.P.	Channels of Distribution
100	100	100	100
200	200	200	200
300	300	300	300
400	400	400	400
500	500	500	500

ECONOMICS AND MARKETING
FUNDAMENTALS OF MARKETING

TASK# B032: Identify components of GNP calculations.

TASK# B033: Explain why the U.S. GNP has continued to grow.

You have just become the economic adviser to the President. The country, however, is not having as good a fortune as you. Unemployment is up, consumer spending is down and interest rates are on the rise. Explain what you feel must be done to the five major components of GNP to get the country back on track. How do you plan to show a growth in GNP, and give an example of how this has happened in U.S. history causing GNP to continue to grow.

TASK# B032: Identify components of GNP calculations.

TASK# B033: Explain why the U.S. GNP has continued to grow.

KEY

If unemployment is up, personal consumption and expenditures are down. If interest rates are going up, Gross Private Investment, and government purchases are down. Imports are exceeding exports. To get things back on track, decrease interest rates, then private industries will produce more, which will employ more people causing consumer spending to increase and more exports.

GNP growth can be shown in many eras of history. Students answers will vary but should show:

- Increase in population: more goods and services needed or wanted
- Increase in labor force: more workers means more spending
- Specialization of work force: increased productivity
- Technological advances: increase in productivity and efficiency making more goods and services available.

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C001: Identify personal occupational requirements.

TASK# C002: Describe entry-level marketing jobs available in most communities.

TASK# C003: Identify possible advancement patterns.

TASK# C004: Identify a tentative marketing occupational interest.

Brief Description of Activity:

Students will develop a list of ten personal traits they possess. Using the classified section of the local newspaper, ask students to list entry-level marketing jobs that are currently available. Students should then identify the jobs that are of interest to them and match their qualifications and personal traits to these jobs. Describe the advancement patterns of each of the jobs of interest.

Materials Needed:

1. Newspapers with classified sections
2. Worksheet

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C001, C002, C003, C004
KEY: Sample Worksheet

WORKSHEET

Personal Traits

1.	6.
2.	7.
3.	8.
4.	9.
5.	10.

Entry-level Marketing Job Opportunities

	Place of Employment	Job Opportunity
1.		
2.		
3.		
4.		
5.		
6.		

Jobs of Interest To Me

	Job	Qualifications/Traits Needed
1.		
2.		
3.		
4.		

Advancement Patterns

	Job	Advancement Opportunities
1.		
2.		
3.		
4.		

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C005: Develop a confident attitude toward participating in an employment interview.

TASK# C006: Meet the standards of appearance and behavior required for the interview.

TASK# C007: Complete a personal resume.

TASK# C008: Complete employment application forms for marketing employment.

TASK# C010: Complete a personal interview and follow-up.

Directions: Students should be divided into groups of 2 to 3. Students will interview each other for the position of assistant manager of a local retail business. In preparation for the interview, each student should develop a personal resume, complete the attached application blank, and prepare for the personal interview. In addition, each student should prepare a list of questions to ask as the interviewer.

Upon completion of the above written material, each student should prepare to be interviewed by one of the group members. Appropriate dress should be required. Following the interview, students should develop an appropriate follow-up letter to the interviewer. The attached rating sheet should be utilized in evaluating the student's abilities for this activity.

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

EMPLOYMENT APPLICATION

Date ______________________

(Please type or print. If you need additional space, please attach a second sheet)

Position applied for: Salary Expected: Permanent ___ Fulltime ___ Temporary ___ Parttime ___

Full Name: Social Security Number:

Present Address: Phone #:

Permanent Address: Phone #:

Have you ever worked under another name? Yes ___ No ___ List: ______________________

EMPLOYMENT RECORD

List last position first. (Failure to accurately account for all periods during the last seven years may lead to your application not being considered or if omissions or falsifications are discovered subsequent to your employment, such omissions or falsifications will be sufficient cause for discharge. Periods of School should be listed by listing the School in the name of the Company and listing the dates attended.)

1 Starting Date	Name of Company:	Supervisor's Name:
Leaving Date	Job Titles & Duties:	Company Phone #:
Rate of Pay		Reason for Leaving:

Were you unemployed between positions? Yes No How Long? Why?

2 Starting Date	Name of Company:	Supervisor's Name:
Leaving Date	Job Titles & Duties:	Company Phone #:
Rate of Pay		Reason for Leaving:

Were you unemployed between positions? Yes No How Long? Why?

3 Starting Date	Name of Company:	Supervisor's Name:
Leaving Date	Job Titles & Duties:	Company Phone #:
Rate of Pay		Reason for Leaving:

Were you unemployed between positions? Yes No How Long? Why?

4 Starting Date	Name of Company:	Supervisor's Name:
Leaving Date	Job Titles & Duties:	Company Phone #:
Rate of Pay		Reason for Leaving:

Were you unemployed between positions? Yes No How Long? Why?

Have you ever been asked to resign or been fired for cause? Yes ________ No ________

May we contact your previous employers? Yes ________ No ________. Please list by number the employers you wish us not to contact. ______________________

If presently employed, why do you desire to change employment? ______________________

Have you ever worked for this Company before? Yes ________ No ________ When? ______________________

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

EDUCATIONAL RECORD

Number of years completed? 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Grammar School	Name and Location	From 19	To 19	Graduated	Major Course Work
High School		19	19		
College		19	19		
Other		19	19		
		19	19		

Please list any outside school activities you were active in: ______

GENERAL INFORMATION

Are you older than 18 but less than 70? Yes ______ No ______ Are you older than 21? Yes ______ No ______

Have you any physical defects that would prevent you from performing the duties of the position that you are applying for? Yes ______ No ______. If "Yes" please list: ______

Have you ever received Workman's Compensation? Yes ______ No ______ If "Yes" explain: ______

______

Do you have transportation to and from work? Yes ______ No ______

What shift are you willing to work? Day ______ Night ______ Swing ______ Any ______

Will you work: Saturday ______ Sunday ______ Holidays ______

Name of any relative working for this Company and their relationship to you? ______

If an alien, do you have a legal right to be in the U.S.? Yes ______ No ______

If an alien, do you have the right to accept employment in the U.S.? Yes ______ No ______

Have you ever been denied a bond? Yes ______ No ______

Is there any reason why you would now be denied bond? Yes ______ No ______

If this box has been checked please fill out ☐ Uniform size needed ______

List additional names of people working here who know you very well. ______

In case of emergency please notify: ______ Relationship ______

Address ______ Phone #: ______

MILITARY RECORD

Are you now or have you ever been in the military? Yes ______ No ______

If "Yes": Branch of service? ______ From ______ To ______ Date of Discharge ______

Highest Rank Obtained? ______ If in Reserves: Active ______ Inactive ______

IMPORTANT—PLEASE READ CAREFULLY

I hereby authorize investigation of all statements contained in this application, including inquiry of any and all of my former employers or references as indicated elsewhere in the application and hold said former employers and/or references harmless from liability arising therefrom. I affirm that all the information contained in this application is true and correct and that any misrepresentation, falsification or omission herein shall be sufficient reason for dismissal from, or refusal of employment. If employed, I hereby agree to abide by all policies and rules of this Company which govern dress, hair, grooming and attitude.

Date: ______ Signature ______

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C009: Recognize the purposes and types of employment tests and general guidelines for taking them.

Matching:

Identify the purpose of the employment tests (Column A) by selecting the appropriate description from (Column B). Select the corresponding example from (Column C). Place the correct letters and numbers in the spaces provided.

Column A - (Purpose)	Column B	Column C
Interest inventory	_____	_____
Aptitude test	_____	_____
Performance test	_____	_____
Achievement test	_____	_____

Column B - (Description)

a. Demonstrates the ability to do the work you are being hired to do.

b. Measures the knowledge an individual currently possesses.

c. Measures an individual's ability to learn a certain subject.

d. Measures an individual's likes and dislikes.

Column C - (Examples)

1. Kathy likes to work with people, but doesn't like to do paperwork.
2. John demonstrates that he could be good at bookkeeping if he were to obtain the appropriate training.
3. Gina has performed well in two marketing classes.
4. Laura can type 75 words per minute.

TASK# C009: Recognize the purposes and types of employment tests and general guidelines for taking them.

KEY

Column A - (Purpose)	Column B	Column C
Interest inventory	d	1
Aptitude test	c	2
Performance test	a	4
Achievement test	b	3

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C011: Explain the importance of rules and regulations in a business.

TASK# C012: Describe desirable work habits.

Exercise:

You have just opened your own marketing business. You know it is very important that your employees have rules and regulations to follow while at work. Develop rules and regulations for your business using the following guidelines.

Guidelines:

1. Briefly describe the type of business you have started. It may be any marketing business that interests you.

2. Develop a list of ten rules and regulations concerning personal conduct and dress/appearance appropriate for your employees.

3. Describe the purpose and importance of each rule.

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C011: Explain the importance of rules and regulations in a business.

TASK# C012: Describe desirable work habits.

KEY

Answers will vary but they should be appropriate for the specified type of business.

Example:

1. Fast food restaurant.
2. Rule 1: Employees will wear the uniforms provided.
3. Purpose and importance of rule 1: to maintain a consistent and professional image.

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C013: Explain gross pay and net pay.

Case Study

You have just received your first paycheck from the ACME Marketing Research Company. (Refer to attached payroll earnings statement).

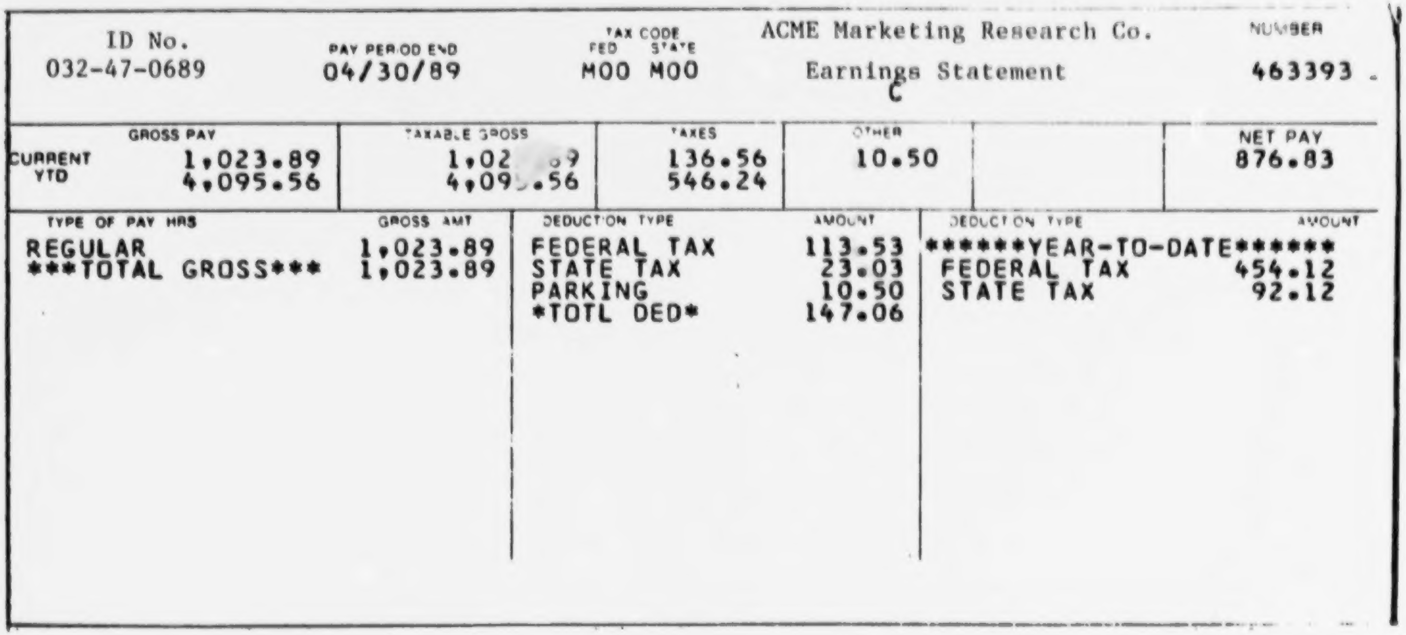
1. Explain the difference between your gross pay and net pay.

2. What deductions were taken from your paycheck?

3. What is the dollar amount difference between your gross and net pay?

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C013: Explain gross pay and net pay.



ID No.	PAY PERIOD END	TAX CODE FED	TAX CODE STATE	ACME Marketing Research Co.	NUMBER
032-47-0689	04/30/89	M00	M00	Earnings Statement C	463393

	GROSS PAY	TAXABLE GROSS	TAXES	OTHER		NET PAY
CURRENT	1,023.89	1,02[illegible]89	136.56	10.50		876.83
YTD	4,095.56	4,095.56	546.24			

TYPE OF PAY HRS	GROSS AMT	DEDUCTION TYPE	AMOUNT	DEDUCTION TYPE	AMOUNT
REGULAR	1,023.89	FEDERAL TAX	113.53	******YEAR-TO-DATE******	
TOTAL GROSS	1,023.89	STATE TAX	23.03	FEDERAL TAX	454.12
		PARKING	10.50	STATE TAX	92.12
		TOTL DED	147.06		

TASK# C013: Explain gross pay and net pay.

KEY

1. a. Gross pay is the total amount of money earned on the job. $1,023.89

   b. Net pay is the amount received after deductions are subtracted. $876.83

2. Deductions are as follows:

   a. Federal tax - $113.53
   b. State tax - $ 23.03
   c. Parking - $ 10.50

3. Difference between gross pay and net pay is $147.06.

EMPLOYMENT AND ADVANCEMENT
FUNDAMENTALS OF MARKETING

TASK# C014: Identify ways of tying school and work experiences together.

Develop a list of 10 concepts that you have mastered in school and explain how they can be helpful in your present or future work experience.

School (resume)	Work (job seeking)
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

TASK# C014: Identify ways of tying school and work experiences together.

KEY

Answers will vary but should include such things as human relations to get along with fellow employees; math, English, etc. to be a competent worker; completion of assignments to demonstrate follow through.

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D001: Define human relations.

Essay

The terms "psychology" and "human relations" are often used interchangably. Why would a person be misusing these terms when used interchangably? Be sure to give the proper definition of each term.

FUNDAMENTALS OF MARKETING

TASK# D001: Define human relations.

Key Points

1. Psychology is the science of human behavior.
2. Human relations is the art of getting along with others.

TASK# D002: Identify the prominent human relationships in marketing businesses.

WORKSHEET or CLASS DISCUSSION GUIDE:

For each of the following situations, identify whether unstructured or structured human relations are appropriate. Write an example of how you would respond to each person based on your relationship with him/her.

1. You are shopping with your best friend. He/She tries on an outfit for the big school dance and asks your opinion of how it looks. You don't like how it looks. Describe what you would say to your friend. Remember to express your opinion honestly, but with tact.
    - Type of human relations appropriate. ____________________
    - Response:

2. You are a salesperson in a clothing store. A customer tries on an outfit that doesn't complement his/her figure. He/She has asked for your honest opinion of how it looks. Describe your response.
    - Type of human relations appropriate. ____________________
    - Response:

3. Your boss asks you to empty all the trash cans in the store. You know it is your co-worker's turn to do the job and you don't believe you should have to do it. Describe how you would respond to your boss.
    - Type of human relations appropriate. ____________________
    - Response:

TASK# D002: Identify the prominent human relationships in marketing businesses.

(Worksheet continued)

4. Your mother asks you to wash the dinner dishes. You know it is your brother's turn to do the job and you don't think you should have to do it. Describe how you would respond to your mother.
   - Type of human relations appropriate. ______________________
   - Response:

5. You are at a party at a friend's house. A close friend introduces you to a girl who recently transferred to your school. Describe the first few minutes of your conversation with the new girl.
   - Type of human relations appropriate. ______________________
   - Response:

6. You are a salesperson at a local health club. You are responsible for greeting potential members and getting to know them before beginning the sales presentation. Describe the first few minutes of your conversation.
   - Type of human relations appropriate. ______________________
   - Response:

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D002: Describe entry-level marketing jobs available in most communities.

KEY

1. Unstructured

   Students should write a response appropriate for this unstructured situation.

2. Structured

   Students should write a tactful, courteous response appropriate for this structured situation.

3. Structured

   Students should write a respectful, tactful response appropriate for this structured situation.

4. Unstructured

   Students should write a tactful, respectful response appropriate for this unstructured situation.

5. Unstructured

   Students should write a friendly, courteous response appropriate for this unstructured situation.

6. Structured

   Students should write a response appropriate for this structured situation.

TASK# D003: Identify the importance of self-understanding in marketing businesses.

TASK# D006: Describe the importance of a positive self-image.

TASK# D007: Identify resources for self-understanding.

Role Play

Shannon is a fellow employee at New Wave, a local clothing retailer. Lately you have noticed that he/she has gone through some personality changes. You used to get along very well, but in the past few months you seem to argue quite frequently. For example, the two of you usually work the last shift together and share the closing duties. Each night Shannon will ask you which tasks you want to do. No matter what you choose, he/she complains about it. Nothing pleases him/her - the tasks are either too boring, too difficult, etc. By closing time, you have ended up doing most of them yourself.

You realize that this cannot continue any longer. You have decided to talk with Shannon about the problem and make tactful suggestions to him/her concerning self-understanding that will not hurt his/her feelings. Be sure to tell Shannon the importance of self-understanding and sources of it.

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D003: Identify the importance of self-understanding in marketing businesses.

TASK# D006: Describe the importance of a positive self-image.

TASK# D007: Identify resources for self-understanding.

KEY

Assessment Instrument

The student:	YES	NO
1. talked with Shannon in a tactful manner.	____	____
2. explained the changes that he/she has seen occurring with Shannon.	____	____
3. convinced Shannon that there is a problem.	____	____
4. conveyed the importance of self-understanding. (Ex: You cannot establish effective human relations before you know yourself. You must know your individual strengths and weaknesses before you have the confidence to interact honestly with others.)	____	____
5. suggested forms of self-understanding. (Ex: self-appraisal, personality test administered by school counselor or a psychologist, discussion with employer, etc.)	____	____

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D004: Analyze personal interests, aptitudes, traits, abilities, and attitudes.

TASK# D005: Identify personal strengths and weaknesses.

TASK# D008: Develop a plan of short and long-term goals.

Ask each student to analyze their personal interests, aptitudes, traits, abilities and attitudes using the attached handouts.*

Students should strive to answer each question with an honest response that reflects their individual personalities.

After filling out the self-assessment instrument, students should list at least three strengths and three weaknesses for each area (see key).

Students will then derive one short-term and one long-term goal for each area.

These goals should be kept in a personal file held by each student. Students should be encouraged to review and revise their personal goals on a monthly basis.

*(Taken from Personal Dynamics in Personality Development by R.M. Everhardt and Robert Leonard)

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D004: Analyze personal interests, aptitudes, traits, abilities, and attitudes.

TASK# D005: Identify personal strengths and weaknesses.

TASK# D008: Develop a plan of short and long-term goals.

KEY: Assessment Instrument

	YES	NO
Social Development		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____
Family Life Development		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____
Achievement-Motivation		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____
Mental Development		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____
Financial Development		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____
Creative Potential		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____
Physical Development		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____
Self-Confidence		
3 strengths	____	____
3 weaknesses	____	____
1 short-term goal	____	____
1 long-term goal	____	____

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D004, D005, D008

SOCIAL DEVELOPMENT

The way others act toward you is a clear reflection of the way you act toward them. This principle will serve you in achieving those things you select as social development goals.

What type of person are you socially? Use the following social evaluation chart to determine if you are the person you would like to be. Then, set your social development goals and turn your weaknesses into strengths!

	YES	NO	SOMETIMES
A. DO I LIKE OTHER PEOPLE? 1. Do I display this interest?			
2. Do I show concern for their problems?			
3. Do I show interest in their ideas?			
B. DO OTHER PEOPLE LIKE ME? 1. Do they enjoy being with me?			
2. Do they care about my problems?			
3. Do they listen to my ideas?			
C. DO I HAVE THE ABILITY TO DEVELOP SOCIAL SKILLS? 1. Do I want to be more popular?			
2. Do I want to serve the needs of others?			
3. Do I display a positive attitude?			
D. DOES MY APPEARANCE ADD TO MY ACCEPTANCE BY OTHERS? 1. Do I select the right clothes for me--not just the current "fads"?			
2. Do I take pains with my personal grooming?			
3. Do I know how to play up my good features and tone down my bad ones?			

HUMAN RELATIONS IN MARKETING

FUNDAMENTALS OF MARKETING

TASK# D004, D005, D008

MENTAL DEVELOPMENT

All conscious development is self-development. You must cultivate the desire to learn, to broaden yourself, before you will accomplish any degree of mental development. The fact that you are taking this course proves that you are interested in developing mentally.

Use the following mental improvement checklist as a guide in assessing your present methods of acquiring information. Then, set your mental development goals and go to work on your areas of weakness.

	YES	NO	SOMETIMES
A. I READ 1. Newspapers			
2. News Magazines			
3. Trade Publications			
4. Classics			
5. Fiction			
6. Non-Fiction			
7. Inspirational Books, Texts on Management			
B. I ATTEND PROFESSIONAL MEETINGS			
C. I ATTEND JOB OR TRADE-ORIENTED CONFERENCES			
D. I ENROLL IN SPECIAL INTEREST CLASSES			
E. I VOLUNTEER FOR CHALLENGING JOBS.			

F. I PARTICIPATE IN THE FOLLOWING OTHER MENTAL DEVELOPMENT ACTIVITIES:

____

____

TASK# D004, D005, D008

PHYSICAL DEVELOPMENT

You may not have a desire to be a boxing champ or to be the baseball idol of the Little Leaguers, but being physically fit is a vital part of personal growth. Your relationships with other people, your enthusiasm for getting things done and the pace you set in accomplishing your goals in life are all affected by your physical well-being. Physical development is one of the most overlooked areas of our personal growth. We forget the value of good physical health until we either lose it or are faced with the possibility of losing it.

Are you physically fit? Do you want to improve your physical health? Then take action--set your physical improvement goals, map out a plan for reaching these goals and achieve them. Use the following evaluation chart as an aid in establishing and reaching your own goals for physical development.

	YES	NO	SOMETIMES
A. I SCHEDULE REGULAR MEDICAL EXAMINATIONS.			
B. I DO PHYSICAL EXERCISES REGULARLY.			
C. I GET ENOUGH SLEEP.			
D. I GET INVOLVED IN OUTDOOR RECREATION.			
E. I EAT A PROPER DIET.			
F. I AM INTERESTED IN PROPER GROOMING.			
G. I PRACTICE THESE ADDITIONAL GOOD HEALTH HABITS. ____________________ ____________________ ____________________			

TASK# D004, D005, D008

FAMILY LIFE DEVELOPMENT

Learning to communicate with your family is an art. Its biggest rewards are shared pleasures, pride and mutual respect. In this busy, fast-paced world of ours, it is sometimes difficult to find time to devote to the family. There are just too many other things bidding for each family member's time -- subtly pulling them away from those who really mean the most.

Appraise your position now by using the following evaluation sheet. Then, use the suggested actions as a guide in achieving your family life development goals.

	YES	NO	SOMETIMES
A. I AM AWARE OF THE IMPORTANCE MY FAMILY PLAYS IN MY LIFE.			
B. I COMMUNICATE OPENLY WITH MY FAMILY.			
C. I AM AWARE OF EACH FAMILY MEMBER'S NEEDS AND DESIRES.			
D. I STRIVE TO HELP CREATE A WARM ATMOSPHERE IN MY HOME.			
E. I ACTUALLY PLAN WAYS OF INCLUDING MY FAMILY IN THE FOLLOWING ACTIVITIES: 1. Work			
2. Recreational			
3. Educational			
F. I AM RESPONSIBLE FOR FAMILY FINANCES.			

TASK# D004, D005, D008

FINANCIAL DEVELOPMENT

A good credit rating is essential in achieving success in the business world. When you begin a new enterprise, expand your current concern, solicit the support of new sponsors or clients, a note from your banker on your financial solvency can mean the difference between success and failure. Set your financial objectives, develop them by proper planning and then reach your financial development goals through consistent and sound money management.

Use the following evaluation sheet to assess your present financial position and to plan a financial development program.

	VERY GOOD	GOOD	BAD
A. MY FINANCIAL POSITION IS:			
B. MY CREDIT RATING IS:			
C. MY PERSONAL BUDGET IS:			
D. MY BUDGET HANDLING IS:			
E. MY ACCOUNT STANDING IS:			
F. MY PLANNING FOR FUTURE FINANCIAL NEEDS IS:			
G. MY INVESTMENTS ARE:			
H. MY SAVINGS PLAN IS:			
I. MY INCOME POTENTIAL IS:			

J. I WILL IMPROVE MY CREDIT RATING THROUGH THE FOLLOWING STEPS:

____

____

____

TASK# D004, D005, D008

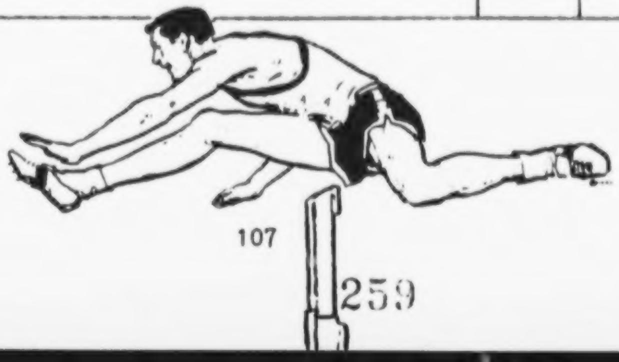
SELF-CONFIDENCE

	TRUE	FALSE	UNCERTAIN
_____A. I am better described as forceful and energetic than as modest and gentle.			
_____B. If I worked in sales, I would earn less on a fixed salary than working only on commission.			
_____C. I am considered cautious when making decisions.			
_____D. I prefer taking complete responsibility even when new at a job.			
_____E. I don't like to make decisions that affect the lives of others.			
_____F. I would rather try to do one thing well than use my energies in many areas.			
_____G. I don't mind offering my opinion to a stranger.			
_____H. I prefer not to ask for advice unless it is absolutely necessary.			
_____I. I like to try new things even when there is a risk involved.			
_____J. In a group situation, I am likely to be less talkative.			
_____K. The best defense is a strong offense.			
_____L. If I didn't study for a test I would rather miss it than get a low grade and risk failure of the course.			
_____M. I feel more comfortable when I am in charge of things.			
_____N. I am better described as reserved than as assertive.			
_____O. If there is a will, there is a way.			

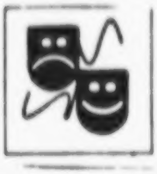
TASK# D004, D005, D008

ACHIEVEMENT-MOTIVATION

	TRUE	FALSE	UNCERTAIN
_____A. I tend to be accused of making excuses.			
_____B. I tend to miss social events because of work commitments.			
_____C. I tend to give up on projects or activities because of time or difficulty involved.			
_____D. I like to plan things well in advance.			
_____E. I tend to select goals that are easy to reach.			
_____F. I carefully map out my plans to accomplish my goals.			
_____G. I often make sacrifices to get what I want.			
_____H. I tend not to know what I want out of life.			
_____I. I prefer to work on tasks that are difficult and challenging.			
_____J. I would rather engage in a sport or a game of victory.			
_____K. I tend to question my ability to accomplish things.			
_____L. I can get things done but usually I have to be pushed.			
_____M. Why knock yourself out when you don't know what tomorrow will bring?			
_____N. I would choose someone to play on my team because of friendship rather than ability.			
_____O. I tend to lose interest in projects when they don't go right.			



TASK# D004, D005, D008



CREATIVE POTENTIAL

	TRUE	FALSE	UNCERTAIN
_____A. My ideas are not always easy to explain to others.			
_____B. I would rather do research than teach school.			
_____C. I don't like to waste time and energy on ideas that may not work out.			
_____D. I find it easier to express ideas than to originate ideas.			
_____E. I prefer quick solutions to problems rather than dealing with uncertainty.			
_____F. I find that my way of thinking about things is often seen as different or unusual.			
_____G. I find it easy to interrupt a project when friends call or visit.			
_____H. I feel more comfortable with facts than with theories.			
_____I. I would prefer to be good at making up stories than at telling them.			
_____J. I find it difficult to give up my ideas just to please others.			
_____K. I would prefer to design clothes rather than model them.			
_____L. I prefer to work on ideas by myself rather than with others.			
_____M. The unconventional is more appealing to me than the conventional.			
_____N. When I get an idea, I work on it, even if others think it far-out and impractical.			
_____O. I would follow up on my ideas if it didn't mean being alone so much.			

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D009: Develop harmonious professional relationships with co-workers, supervisors, and managers.

CASE STUDY

You are working at Two Scoops, a frozen yogurt shop. You are a very conscientious employee so the owner trusts you to manage the shop for a few hours every afternoon. You are good friends with one of your co-workers. On this particular afternoon your friend is really taking advantage of your close relationship. He/She arrived for work 20 minutes late, sat in the back room talking on the phone, eating a sundae, and didn't complete most of his/her assigned duties.

It is your goal to maintain the friendship with this co-worker while doing your job as acting-manager. Please answer the following questions by describing your actions.

1. What will you say to your co-worker to best solve this problem while maintaining a harmonious relationship?
2. What actions will you take if your co-worker repeats this behavior after you've spoken to him/her?
3. How will you respond if your co-worker gets angry at you?
4. How will you describe the situation to your boss if the problem continues?

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D009: Develop harmonious professional relationships with co-workers, supervisors, and managers.

KEY

Answers should be positive, tactful, respectful and courteous. Store policy and the boss's wishes should always be maintained.

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D010: Develop relationships with customers that will favorably represent a business.

WORKSHEET or ROLE PLAY

For each of the following situations, write a brief description of how you would respond. You are trying to communicate a positive image of your company.

1. A customer walks into your auto parts store and begins looking at the tires. How would you greet him/her?

2. You are a new salesperson at a bicycle shop. A customer has just called on the telephone and asked you a question about a new mountain bike. You don't know the answer to the question. What should you say?

3. You are a cashier working in the express lane at a local grocery store. A sign clearly states that only customers purchasing 10 items or less and paying cash should use the express lane. There are six people standing in line. One of the people has 15 items in his/her cart. It is obvious that the other customers are upset with him/her and they become angry when he pulls out a checkbook to pay for his purchases. How will you handle this situation?

4. You are working at a clothing store. The store's return policy clearly states that items paid by check cannot be returned before 10 business days have passed. A woman comes into the store wishing to return a pair of slacks. She purchased the slacks one week earlier and paid by check. She drove 50 miles to return the slacks and she needs the money very badly. How will you explain the store's policy to this woman?

5. You work at a convenience store. A group of children are racing their bikes and skateboards around the store's parking lot and front sidewalk. You know this is unsafe, but the children are good customers who buy a lot of candy and soda during the summer. You don't want them to get hurt or lose their business. What should you say to the children?

HUMAN RELATIONS IN MARKETING
FUNDAMENTALS OF MARKETING

TASK# D010: Develop relationships with customers that will favorably represent a business.

KEY

All responses should be positive, tactful, courteous and respectful. Store policy should always be maintained.

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E001: Perform addition and subtraction applications in marketing.

Directions: Complete the following income statement by calculating the missing information.

BUB'S BOATS

Revenue From Sales:			
Gross sales		$ 7,990	
Returns and allowances		80	
Net sales			________
Cost of Merchandise Sold			
Opening inventory		8,790	
Purchases (including transportation)	3,770		
less returns to vendors	100		
Net purchases		________	
Total Merchandise Handled		________	
Closing Inventory		7,423	
Cost of Merchandise Sold			________
Gross Margin			2,873
Operating Expenses			930
		PROFIT	$________

TASK# E001: Perform addition and subtraction applications in marketing.

KEY

Net sales = $ 7,910

Net purchases = $3,670

Total merchandise handled = $12,460

Cost of merchandise = $ 5,037

Profit = $ 1,943

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E001: Perform addition and subtraction applications in marketing.

TASK# E002: Perform multiplication and division applications in marketing.

TASK# E003: Perform fraction and percentage applications in marketing.

Let's play bingo! One person is to read aloud the following fractions (in any order they choose). Each player should cover the percentage equivalent to the fraction. Only one percentage will be covered for each call.

1/2	1/3	2/3	1/4	2/4	3/4
1/5	2/5	3/5	4/5	3/6	2/8
4/8	6/8	1/10	2/10	3/10	4/10
5/10	6/10	7/10	8/10	9/10	7/7

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E001: Perform addition and subtraction applications in marketing.

TASK# E002: Perform multiplication and division applications in marketing.

TASK# E003: Perform fraction and percentage applications in marketing.

KEY

1/2 = 50%
1/3 = 33%*
2/3 = 66%*
1/4 = 25%
2/4 = 50%
3/4 = 75%
1/5 = 20%
2/5 = 40%
3/5 = 60%
4/5 = 80%
3/6 = 50%
2/8 = 25%
4/8 = 50%
6/8 = 75%
1/10 = 10%
2/10 = 20%
3/10 = 30%
4/10 = 40%
5/10 = 50%
6/10 = 60%
7/10 = 70%
8/10 = 80%
9/10 = 90%
7/7 = 100%

*rounded to nearest whole percent

B	I	N	G	O
50%	25%	75%	20%	40%
60%	80%	50%	10%	30%
40%	60%	FREE	80%	90%
70%	10%	20%	40%	50%
25%	75%	33%	60%	100%

MARKETING OPERATIONS

FUNDAMENTALS OF MARKETING

TASK# E001, E002, E003:

B	I	N	G	O
67%	40%	25%	33%	20%
80%	10%	60%	40%	10%
50%	40%	FREE	20%	50%
30%	100%	60%	75%	33%
40%	90%	25%	10%	80%

B	I	N	G	O
40%	70%	10%	50%	100%
67%	20%	90%	30%	25%
50%	40%	FREE	75%	60%
10%	70%	30%	80%	25%
60%	20%	75%	40%	50%

B	I	N	G	O
30%	33%	40%	70%	10%
20%	75%	50%	25%	60%
60%	40%	FREE	33%	100%
25%	10%	50%	75%	90%
30%	20%	60%	25%	40%

TASK# E001, E002, E003:

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

B	I	N	G	O
40%	80%	25%	60%	10%
75%	50%	67%	20%	30%
60%	25%	FREE	80%	50%
40%	75%	90%	60%	70%
20%	90%	50%	75%	60%

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MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E001, E002, E003:

B	I	N	G	O
20%	50%	75%	40%	33%
100%	60%	70%	25%	50%
80%	20%	FREE	60%	40%
40%	67%	10%	50%	75%
10%	80%	50%	67%	100%

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E004: Calculate correct prices of products or services and total amounts of purchases.

Directions: Calculate the correct answer for the following problem.

John is painting houses for the summer to earn money to pay tuition for next fall at State University. He is charging $7.50 an hour. Monday he painted for 10 hours. Tuesday he only worked for 4 1/2 hours, due to inclimate weather. Wednesday he worked for 6 hours, Thursday he worked for 8 1/2 hours and today, Friday, he finished the job and worked for 9 hours. What is the total number of hours he worked and what amount will the home owner be billed for the work completed?

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E004: Calculate correct prices of products or services and total amounts of purchases.

KEY

Monday	10	hours
Tuesday	4.5	hours
Wednesday	6	hours
Thursday	8.5	hours
Friday	9	hours
Total Hours	38	hours
Rate of Pay	$7.50	per hour
Amount billed	$285.00	(38 hours x $7.50 per hour)

TASK# E005: Handle various types of payment for purchases.

Credit Card Purchase

Julie just purchases a pair of shoes on her credit card. The cost of the shoes was $29.95, the tax is 4.5%, and your sales clerk number is 55. Explain the guidelines you would follow to complete the transaction.

Cash Purchase

A customer just made a purchase that totaled $27.65 and hands you a fifty-dollar bill. What do you do to complete the transaction?

Check Purchase

Amy made a purchase that cost $15.95 and writes a check for that amount. What do you look for to be sure the transaction is complete?

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E005: Handle various types of payment for purchases.

KEY

Credit Card Purchase Guideline:

- Check correct bank card
- fill out all information on charge ticket, such as price, tax, description of shoes, total, department number, and sales clerk number.
- check customer's signature on charge ticket with signature on back of bank card

Cash Purchase Guideline:

- give the customer his/her change by counting up from $27.65.
  1 dime + 1 quarter = $28.00 + 2 ones = $30.00 + 1 twenty = $50.00

Check Purchase Guidelines:

- correct date written on check
- both written and numeric amounts are the same
- made payable to the appropriate business
- if store policy dictates, ask for identification
- check signature

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E006: Handle returns for exchange, cash refunds, or charge credit.

Directions: Determine how each of the following returns should best be handled by placing an E (exchange), an R (cash refund), or a C (charge credit), in the blank to the left of the situation. Give the reason for your choice in the space provided.

_____ 1. Sherri purchased a crock pot for $15.95. She received the identical one as a wedding gift and decided to return it. Your store's policy states that the customer must have the sales receipt for a cash refund.

_____ 2. The blouse Laura purchased was the wrong shade of green and didn't match the suit she bought. She decided to take it back and find a white blouse instead. She charged the blouse on her Penney's charge card for $34.95. The white blouse was also priced at $34.95.

_____ 3. Jaclyn returns a can of hairspray because it has a defective spray nozzle.

_____ 4. Marvin decided the lamps he bought earlier in the day were not large enough for his office. Although he looked for another pair of lamps, none suited his taste. He paid $175.00, in cash, for the pair of lamps and had his receipt.

TASK# E006: Handle returns for exchange, cash refunds, or charge credit.

KEY

E 1. An exchange would be the best selection because she does not have a receipt. She could probably use other merchandise and might purchase more than the original amount of the crock pot.

E 2. An even exchange can be transacted because both blouses are the same amount.

R or E 3. A cash refund (with a receipt) would be appropriate because the merchandise is defective. An exchange would also be applicable if she wished to have another product.

R 4. Marvin should receive a cash refund for his lamps as he just purchased them that day and had his sales receipt.

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E007: Handle COD and layaway sales transactions.

Case Study

Pat Zachary selected a set of china from the Houseware Department of Lazar's. Upon completing the sales transaction at the check out counter, Ms. Zachary found she had left her credit cards at home. You suggest a COD arrangement in order to solve her problem. What are five rules that you must follow in handling Ms. Zachary's COD transaction?

TASK# E007: Handle COD and layaway sales transactions.

KEY Points:

1. Add the COD charge, which is based on the weight of the merchandise
2. Add postage charges if business does not have a delivery service
3. Get complete mailing address of the merchandise recipient
4. Check the accuracy of the name and address by repeating the information to the customer or by having the customer read the information.
5. Have the customer sign the sales check to help prevent deliveries which are refused upon arrival.

TASK# E008: Explain importance of inventory control.

TASK# E009: Explain the term perpetual inventory.

TASK# E010: Explain the procedures of a physical inventory.

Brief Description of Activity:

This Jeopardy game is designed to measure the students' knowledge of the concepts of inventory controls, perpetual inventory, physical inventory, and who is responsible.

Rules and instructions:

1. Divide the class members into equal teams. Teams can be designated by colors (red, blue, orange, yellow, etc.). Team members should sit together.

2. Place a row of chairs at the front of the room (1 chair for each team). Tape a piece of colored construction paper on the board behind each chair to designate each team's place.

3. Each team will send a representative to the front of the room.

4. When the host reads the answer, the first person who stands up will be allowed to give the question for the answer. The host will call the name of the person who may respond. All responses must be in question form (ex: What is inventory?).

5. After a team member responds (correctly or incorrectly) he/she must be replaced by another team member.

6. Money should be awarded or taken away from the teams after each play. The scorekeeper should also be recording each transaction on the board or on paper.

7. The team with the most cash will win the game. The teacher may wish to provide an incentive of some type for the winning team.

Materials and personnel needed:
1. Transparency of Jeopardy gameboard
2. Cardboard/paper squares to place over categories as they are used.
3. Play money
4. Answers and questions
5. A game show host (should be a person other than teacher)
6. Judge and facilitator (teacher)
7. Scorekeeper
8. Colored construction paper

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E008: Explain importance of inventory control.

TASK# E009: Explain the term perpetual inventory.

TASK# E010: Explain the procedures of a physical inventory.

Inventory Jeopardy

INVENTORY CONTROLS	PERPETUAL INVENTORY	PHYSICAL INVENTORY	WHO IS RESPONSIBLE?
100	100	100	100
200	200	200	200
300	300	300	300
400	400	400	400
500	500	500	500

MARKETING OPERATIONS

FUNDAMENTALS OF MARKETING

TASK# E008, E009, E010:

Category	Amount	Answer	Question
Inventory Controls	$100	A system of recordkeeping that shows the retailer the goods on hand.	What is inventory control?
	$200	A system for giving information for a particular elapsed period of time.	What is an inventory control system?
	$300	A system that tells how much the goods are worth in terms of either cost or retail prices.	What is a dollar-control system?
	$400	The quantity of items (units) of each type of merchandise on hand, ordered or sold.	What is a unit-control system?
	$500	Reliable inventory control provides information for meeting competition, regulating distribution, and calculating taxes.	Why inventory control is important?
Perpetual Inventory	$100	A book inventory.	What is perpetual inventory?
	$200	Can use merchandise tags, processed by computer.	What is perpetual inventory?
	$300	Developed by companies such as IBM and NCR that feed information from merchandise tags or product labels into computers.	What is point-of-sales systems?
	$400	Keeps a running total of the number of units handled by adjusting for sales, return, and transfers to other departments or stores.	What is a perpetual inventory system?
	$500	An industry-wide classification system for coding information onto merchandise.	What is Universal Product Code (UPC) and/or Optical Character Recognition (OCR-A)?

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E008, E009, E010:

Category	Amount	Answer	Question
Physical Inventory	$100	An actual count of the merchandise on hand.	What is physical inventory?
	$200	Some retailers use their own sales staff, some use an outside firm.	Who takes physical inventory?
	$300	A system which relies on the tabulation of number of units on hand at regular intervals, records inventory on hand, purchases, sales volume and shortages.	What is a stock-counting system?
	$400	The use of stock cards from departments to keep track of inventory level	What is visual inspection systems?
	$500	Merchandise is classified by type, size or style.	What is the procedure for taking a physical inventory?
Person Responsible for Inventory in most stores	$100	The department responsible for recording merchandise received	Who is the receiving department?
	$200	These people record details about sales.	Who are the sales clerks?
	$300	These people are responsible for inventory reductions.	Who are the consumers?
	$400	These people bring merchandise to the store.	Who are delivery personnel?
	$500	These people are in charge of ordering merchandise.	Who is the buyer or store manager?

TASK# E011: Explain the importance of pricing.

Directions: Select the option that you believe is the best alternative and defend your choice.

Case Study

Market research from the Omaha test market reveals the answer for poor sales of your product--the price. Consumers like the idea of your product and think that it is a good product, but they also feel that 10 cents per widget is too much to pay. The product is just not worth the price.

Option 1:

Increase your advertising of the new improved widget. You know the product is a good idea and your research shows that people will buy it. Maybe old habits are hard to break. Perhaps consumers need to be better educated about the advantages of disposable widgets. Increased advertising would get the message to consumers. Recommend that spending more money for advertising would result in greater sales.

Option 2:

Cut your price by reducing the quality of your widget. The product idea is so revolutionary even a product of lesser quality would be welcomed by consumers at the right price. You can always increase quality and price after consumers begin buying your product regularly.

Option 3:

Maintain quality, reduce your price and take a risk. It is possible if you make the price more attractive, more people than you projected will buy the product. Company analysts indicate that if the price were dropped to six cents each, you would have to sell one billion widgets per year to make a reasonable profit. But remember, your original projections said you would probably sell 400 million a year. You know it is risky, but you believe that at six cents each, the price will be attractive enough to reach one billion in sales.

TASK# E011: Explain the importance of pricing.

KEY

Although the risk was great, the demand for widgets at six cents each would be about double what was at the ten cent price. The company feels the increase in the number of widgets sold would make up for the widget selling at the lower price.

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E012: Define the terminology used in pricing.

Directions: For the statements given below, fill in the appropriate terms in the spaces allotted and work the puzzle.

Across

1. The amount of a product that consumers are willing and able to purchase at a given price.
3. Money from the sale of a product equals the total costs and expenses involved in producing and marketing it. (2 words)
5. The quantity of a product offered on the market at a specified price.
7. Illegal manufacturer control over retail pricing. (3 words)

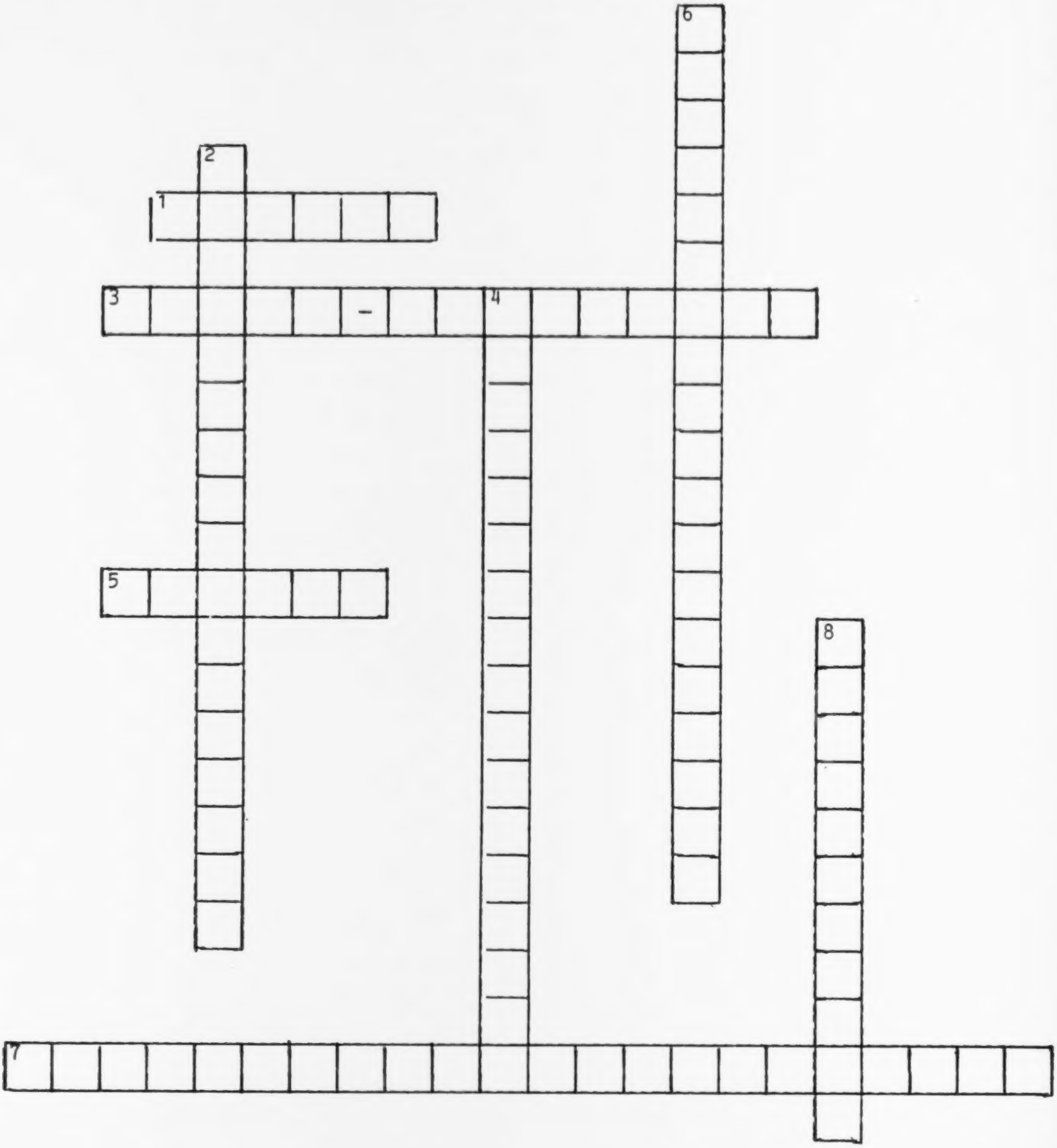
Down

2. Misinterpreted credit terms and misinterpreted sales prices that mislead consumers. (2 words)
4. Price at which the marketers are able and willing to supply exactly the quantity of goods or services that consumers are willing to purchase. (2 words)
6. When prices for similar goods differ for different customers. (2 words)
8. Competitors get together to raise or lower prices. (2 words)

MARKETING OPERATIONS

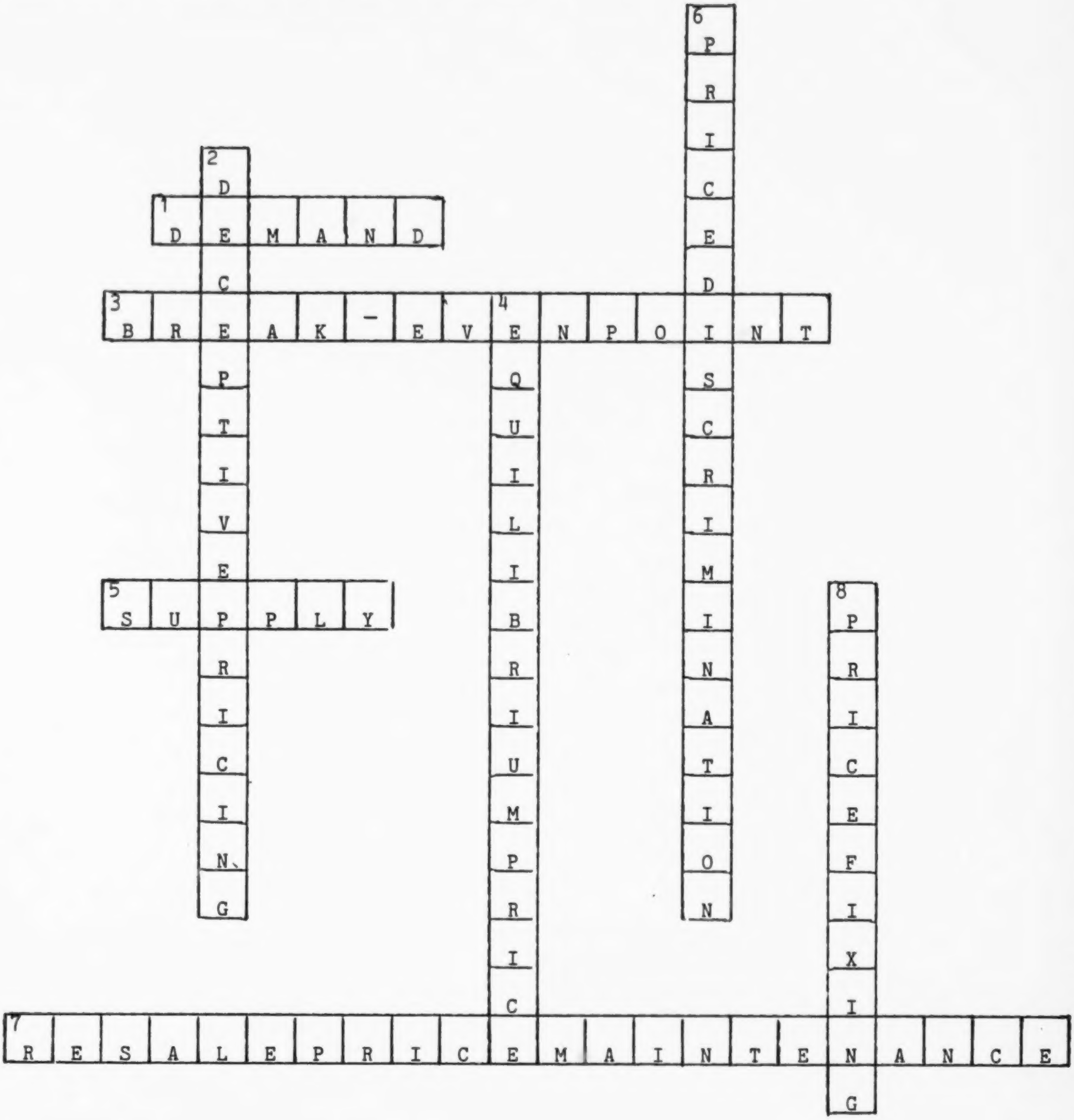
FUNDAMENTALS OF MARKETING

TASK# E012: Define the terminology used in pricing.



MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E012: Define the terminology used in pricing.


1 DEMAND
2 DECEPTIVE PRICING
3 BREAK-EVEN POINT
4 EQUILIBRIUM PRICE
5 SUPPLY
6 PRICE DISCRIMINATION
7 RESALE PRICE MAINTENANCE
8 PRICE FIXING

FUNDAMENTALS OF MARKETING

TASK# E013: Calculate mark-up and mark-downs.

Directions: Calculate dollar markup for the following.

1. Liberty of London neckties are $36.00 for one-half dozen. Markup is $6.00 per necktie. Calculate the retail price for one necktie.

2. Hanes hosiery retails for $2.95 per pair. The cost price is $1.25. Calculate the dollar markup.

3. A can of DelMonte peaches retails for 89 cents. You marked it up by 23 cents. What was your cost price?

4. The Noritake china set retails for $125.00 for one five piece place setting. The markup was $95.00. What is the markup percentage on retail?

5. Ralph Lauren jeans are retailing at Famous Barr for $85.00. Markup is $40.00. Calculate the markup percentage on retail.

Calculate markdown for the following.

6. The Chaus line of sportswear was not selling like expected. It was already July and fall merchandise was arriving. The sportswear buyer decided to take a 25% markdown on the $45.00 shorts and a 35% markdown on the $70.00 skirts. What is the new price on the shorts and skirts?

7. The new fishing equipment was being featured as a "special purchase" for one week only. The rods and reels normally retail for $140.00 and are featured at 29% off. What is the amount of the dollar markdown? Calculate the special purchase price.

TASK# E013: Calculate mark-up and mark-downs.

KEY

1. \$6.00 + 6.00 = \$12.00

2. \$2.95 - 1.25 = \$1.70

3. \$.89 - .23 = \$ .66

4. (\$95.00 ÷ 125.00) x 100 = 76%

5. (\$40.00 ÷ 85.00) x 100 = 47%

6. shorts: \$45.00 x .25 = \$11.25
   \$45.00 - 11.25 = \$33.75

   skirts: \$70.00 x .35 = \$24.50
   \$70.00 - 24.50 = \$45.50

7. markdown amount - \$40.60
   special purchase price - \$99.40

TASK# E014, E015, E016:

Part II:

The amount of change kept in each drawer (department) depends on the price of the typical items sold in that department. For each example, provide the specific coins or bill denominations that are needed most in the change fund.

1. Ashleigh works at a discount store in the cosmetic department. Many items are priced at $.72. Which coins will she need most?

2. Tom works in the building department of a hardware store. Today they are running a sale and many items are marked down to $.83. Which coins does he need most in his change fund?

3. Gina is employed at the "Everything for $1.00" store. What one bill denomination will she need most?

4. Jon is a cashier at Hot Rod, a local automotive store. There is a big promotion this week that features cases of motor oil for $5.00. Which two bill denominations will Jon need most in his change fund during the promotion?

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E014: Arrange currency and coin in cash drawer.

TASK# E015: Maintain proper amount of cash in appropriate denominations in cash drawer.

TASK# E016: Balance cash drawer against cash register reading.

Exercise

Part I:

Determine the correct way to arrange money (currency and coin) in a cash register drawer. Sort the drawer below by writing your answer ($1, $5, pennies, etc.) in the appropriate space.

MARKETING OPERATIONS
FUNDAMENTALS OF MARKETING

TASK# E014, E015, E016:

Part III:

The following chart lists today's sales for each salesperson at Fashion Threads clothing store. Determine whether each salesperson is over or short (and by how much), or balanced. Write your answer in the spaces provided.

Sales-person	Register Number	Cash in Drawer Including $50 Change Fund	Voided Receipts	Total Paid-outs	Salerperson Total Sales	Equal to, Over, or Under	Amount
1	10	$240.56	$ 6.12	$10.00	$204.18		
2	10	$507.82	$12.12	$ 3.00	$471.16		
3	10	$361.50	-0-	$ .75	$313.50		
4	20	$124.15	$ 2.50	-0-	$ 77.65		
5	20	$564.18	-0-	-0-	$516.18		
6	20	$379.50	$16.25	$13.50	$359.35		
7	20	$241.10	$ 3.86	$ .50	$197.00		
8	30	$276.77	-0-	$ 1.80	$226.00		
9	30	$314.21	$ 7.56	$ 2.14	$273.02		
10	30	$442.45	$ 4.32	$ 6.04	$402.81		

TASK# E014, E015, E016:

KEY

Part I

$100's & checks	$20's	$10's	$5's	$1's
half-dollars	quarters	dimes	nickels	pennies

Part II

1. pennies and quarters
2. pennies, nickels and dimes
3. $1 bills
4. $5 & $10 bills

Part III

Cash in drawer
$50 (change fund) + total voided receipts + total paid-outs

Compare answer to salesperson's total sales to determine whether the money is over, short, or equal to the total sales figure.

1. over, $ 2.50
2. over, $ 1.78
3. under, $ 1.25
4. under, $ 1.00
5. under, $ 2.00
6. equal to
7. under, $ 1.54
8. over, $ 2.57
9. over, $ .89
10. equal to

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F001: Explain the marketing concept.

TASK# F002: Explain historical development in business that led to the adoption of the marketing concept.

TASK# F003: Give examples of the marketing concept in action.

Student Instructions: Read the following case study. Prepare a written report on how Ultimate Foods is fulfilling the needs of customers and what brought Ultimate Foods to it's present marketing concept. How does this show the marketing concept in action?

Ultimate Foods, the maker of Wunder Bar, a frozen cheesecake on a stick, teamed up with Vienna Sausage. Vienna sells its products in stores and at ball parks. Ultimate's goal is to reach this ball park market.

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F001: Explain the marketing concept.

TASK# F002: Explain historical development in business that led to the adoption of the marketing concept.

TASK# F003: Give examples of the marketing concept in action.

KEY

Answers will vary but should include:

- The convenience of Wunder bar on a stick (can be handled easily).
- Historically ice cream, which is similar to the Wunder Bar, has sold successfully at ball parks.
- Vienna is expanding it's product line.
- Two companies teaming up to meet more consumers' needs is an example of the marketing concept in action.
- Ultimate can sell to the same target market.

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F004: Explain the role that product/service planning activities play in a company's success in the marketplace.

TASK# F005: Identify factors that influence product/service planning.

TASK# F013: Explain the steps in product planning.

Exercise

Divide into groups of 3 or 4 people. Invent a new product or find new uses for an existing product. Provide a prototype in the form of an illustration. Explain to the class the steps you went through in the development process. Ask the class to vote as to whether or not they would purchase your product.

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F004: Explain the role that product/service planning activities play in a company's success in the marketplace.

TASK# F005: Identify factors that influence product/service planning.

TASK# F013: Explain the steps in product planning.

KEY

Answers will vary but should include:

- How students generated ideas (i.e., ask others in group or outside group)

- The screening process: Why they used this idea rather than another?

- Questions addressed in evaluating ideas:
  1) Will the product suit a definite customer need?
  2) Will the product be a logical addition to the company's product mix?
  3) Estimated cost of production.
  4) Will the product produce a profit?

- Prototype

- Testing will consist of student voting.

- Will students market in a specific area? Why?

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F006: Identify the methods of gathering primary marketing data.

TASK# F007: Apply one or more of the methods to gather primary data.

Place an "A", "B", "C", or "D" in the blank which describes the types of method used to collect primary data.

Methods: A. Survey
B. Panel
C. Experiment
D. Observation

_____ 1. Focus group

_____ 2. Consumer diaries

_____ 3. Test market

_____ 4. Personal interview

_____ 5. Market facts

_____ 6. Video surveillance

_____ 7. Audiometer

_____ 8. Telephone interview

_____ 9. Representation of a marketing situation

_____10. Nielsen Company

_____11. Mail questionnaire

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F006: Identify the methods of gathering primary marketing data.

TASK# F007: Apply one or more of the methods to gather primary data.

KEY

Methods: A. Survey
B. Panel
C. Experiment
D. Observation

A 1. Focus group

B 2. Consumer diaries

C 3. Test market

A 4. Personal interview

B 5. Market facts

D 6. Video surveillance

D 7. Audiometer

A 8. Telephone interview

C 9. Representation of a marketing situation

B 10. Nielsen Company

A 11. Mail questionnaire

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F008: Explain the difference between the total market approach and the segmentation approach to product planning.

Case Study

Sally has just invented a new toothpaste. It freshens breath, helps fight tooth decay, fights plaque, sparkles, and comes in a pump container. Sally is sure that this product will meet the needs of everyone, both young and old alike. She has hired you to market her new toothpaste. What would you tell her about market segmentation as opposed to trying to sell to everyone?

TASK# F008: Explain the difference between the total market approach and the segmentation approach to product planning.

KEY

Answers will vary but should include:

- Children influence the parents' shopping decisions.
- Sally has a product that can be used by both children and adults but could be more successful if targeted to a specific market.
- Features that can be used to target to either adults or children:
  fresh breath - adults
  tooth decay - adults
  fights plaque - adults
  sparkles - children
  pump - children

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F009: Cite examples of specific products/services and their target market.

Matching

Match the following products/services with the target market that would most likely use them.

_____ 1. A ball cap that says "Atlanta Braves #1"

_____ 2. Running shoes

_____ 3. Blue diapers

_____ 4. Classical music albums

_____ 5. Red wagon

_____ 6. Hearing aid

_____ 7. Clearasil

_____ 8. Skate boards

_____ 9. Bar bells

_____10. Barbie dolls

_____11. Coffee cups that say "Left-handed people are in their right mind"

A. Young girls

B. Teens

C. Senior citizens

D. Weight lifters

E. People that live in Georgia

F. Joggers

G. Left-handed people

H. Hearing impaired

I. Children under 10

J. Male babies

K. Preteens and teenagers

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F009: Cite examples of specific products/services and their target market.

KEY

__E__ 1. A ball cap that says "Atlanta Braves #1"

__F__ 2. Running shoes

__J__ 3. Blue diapers

__C__ 4. Classical music albums

__I__ 5. Red wagon

__H__ 6. Hearing aid

__B__ 7. Clearasil

__K__ 8. Skate boards

__D__ 9. Bar bells

__A__ 10. Barbie dolls

__G__ 11. Coffee cups that say "Left-handed people are in their right mind"

TASK# F010: Identify the functions of packaging to meet the needs of specific marketing.

Assignment

Identify the function that packaging provides for the products in the following list by placing an "A", "B", "C" or "D" in the space provided.

A. Provides protection to consumer
B. Promotes the product
C. Provides easy use and convenience to consumer

_____ 1. Child-proof caps on bottles of aspirin

_____ 2. Flip-top tubes of toothpaste

_____ 3. L'egg's pantyhose packaged in an egg-shaped container

_____ 4. Microwave dinners packaged in a ready-to-serve containers

_____ 5. "Tony the Tiger" featured on boxes of frosted flakes

_____ 6. Motor oil packaged in pour-spout bottles

_____ 7. Shatter-proof jars of peanut butter

_____ 8. Candy packaged in cartoon character figurines

_____ 9. Bleach packaged in splash-proof bottles

_____10. Jars of instant tea that contain protective seals

MARKET PLANNING
FUNDAMENTAL OF MARKETING

TASK# F010: Identify the functions of packaging to meet the needs of specific marketing.

KEY

A. Provides protection to consumer
B. Promotes the product
C. Provides easy use and convenience to consumer

A 1. Child-proof caps on bottles of aspirin

C 2. Flip-top tubes of toothpaste

B 3. L'egg's pantyhose packaged in an egg-shaped container

C 4. Microwave dinners packaged in a ready-to-serve containers

B 5. "Tony the Tiger" featured on boxes of Frosted Flakes

C 6. Motor oil packaged in pour-spout bottles

A 7. Shatter-proof jars of peanut butter

B 8. Candy packaged in cartoon character figurines

C 9. Bleach packaged in splash-proof bottles

A 10. Jars of instant tea that contain protective seals

TASK# F011: Define product line and product mix.

TASK# F012: Identify the stages of the product life cycle.

Case Study

Mrs. Farmer has grown roses for 15 years. She is always trying to breed a new color with a sweeter fragrance. At last she has succeeded and has developed a green rose that smells sweeter than anything she has ever smelled. She has come to you to sell her rose bushes in your green house. You also sell fertilizer, garden tools and lawn ornaments.

You like Mrs. Farmer and want to offer her roses to your customers. You presently don't carry roses. Explain in a written report how Mrs. Farmer's roses would fit into your operation.

TASK# F011: Define product line and product mix.

TASK# F012: Identify the stages of the product life cycle.

KEY

Answers will vary but should include:

- The roses will be a new product line.
- Since the student owns a greenhouse, the roses will fit into his/her product mix.
- The roses are at the introductory stage of the product life cycle.

PHYSICAL DISTRIBUTION
FUNDAMENTAL OF MARKETING

TASK# G001: Accurately check shipment of items against an invoice.

TASK# G002: Handle incorrect amounts or types of goods.

TASK# G003: Mark prices on various types of goods.

Case Study

Bill works in the stockroom at Shop 'n More grocery store. A shipment of canned peaches, 8 oz. and 16 oz., was delivered from Fruit Flies, Inc. It was Bill's job to check the delivery and get the cans ready to go out on the sales floor. Since this is his first time to do this, he's not sure of what it involves. Help Bill by telling him the procedures involved, from opening the shipping containers to pricing the cans.

PHYSICAL DISTRIBUTION
FUNDAMENTAL OF MARKETING

TASK# G001: Accurately check shipment of items against an invoice.

TASK# G002: Handle incorrect amounts or types of goods.

TASK# G003: Mark prices on various types of goods.

KEY

1. Open the shipping containers.
2. Get together the purchase order, the invoice, the invoice apron, if one is used, and the packing list enclosed with the order.
3. Remove the goods from the containers.
4. Sort the cans by size, 8 oz. and 16 oz.
5. Count each item to see whether the number delivered agrees with the number on the purchase order, invoice, and packing list.
6. Check the goods for damage.
7. If any of the cans are damaged, fill out a receiving report.
8. Stamp the correct price on each can and deliver to the stock area.

TASK# G004: Identify housekeeping duties in connection with proper stock care.

TASK# G005: Exercise precautions with equipment to prevent accidents.

TASK# G006: Exercise precautions with stock to prevent accidents.

Assignment

In a two-page written report, describe the stockkeeping duties at a retailing business of your choice. Include those that take place before the store opens, during store hours, after the store closes, and periodically (monthly, etc.).

Also, include in the report precautions that the business takes with stock and store equipment to prevent accidents.

PHYSICAL DISTRIBUTION
FUNDAMENTAL OF MARKETING

TASK# G004: Identify housekeeping duties in connection with proper stock care.

TASK# G005: Exercise precautions with equipment to prevent accidents.

TASK# G006: Exercise precautions with stock to prevent accidents.

KEY

Assessment Instrument

The report:	YES	NO
1. describes the stockkeeping functions as assigned.	____	____
2. includes stock precautions.	____	____
3. includes equipment precautions.	____	____
4. is at least two pages in length.	____	____
5. contains correct grammar and spelling.	____	____
6. is written in a concise manner.	____	____

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H005

KEY (continued)
3. Color Yellow
- Advantages of magazine advertising
  - -high selectively
  - -long life
  - -national coverage
  - -color reproduction
- Disadvantages of TV advertising
  - -short life of the message seen
  - -competition among viewing stations
  - -high cost
- Disadvantages of radio advertising
  - -background entertainment
  - -no illustrations possible

The colored puzzle reveals the word DECA.

PHYSICAL DISTRIBUTION
FUNDAMENTAL OF MARKETING

TASK# G007: Identify importance of preventing stock shrinkage.

Fads, Inc., a local clothing retailer, has recently had problems with shoplifting. Up to now, the store has always trusted customers and has taken no precautions to prevent such a problem. It's to the point that profits are rapidly declining. It is up to you to give Fad's, Inc. advice on how to eliminate this shoplifting problem before it's too late.

TASK# G007: Identify importance of preventing stock shrinkage.

KEY

Answers will vary but should include such techniques as:

- being more attentive to customers
- placing locked rings on expensive items
- using door scanners
- having bag checks
- maintaining a perpetual inventory

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H001: Identify the major advertising media used to promote sales.

Assignment

While experimenting in the kitchen you discovered a great new sandwich that the American public will go crazy over - The Nut Dog. It's an incredible combination - hotdogs and peanut butter. It may sound unappealing, but you know that with the right promotion it will be a big success. Develop a promotional plan including a description of your target market, all the various advertising media you will use and why, and the amount of funds you will allocate for each (you have a total budget of $10,000).

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H001: Identify the major advertising media used to promote sales.

KEY

Answers will vary, but should include all the points listed on the assessment instrument.

Assessment Instrument:

Included in the student's promotion plan is:	YES	NO
1. a clear description of the chosen target market.	____	____
2. a list of advertising media used.	____	____
3. rationale for using each advertising media.	____	____
4. a budget plan by media type.	____	____

TASK# H002: Identify the basic types of displays used to promote sales.

Assignment

Visual displays are an important promotional tool for marketers. Choose a particular retail establishment (clothing boutique, grocery store, etc.) and explore the various types of visual merchandising used. Provide an example of how each of the following are used in the store: (1) window displays, (2) open displays, (3) closed displays, (4) wall or ledge displays, (5) model displays, if used.

Include the information you gather in a 1-2 page report, along with your opinion of why each display was used and the advantages and disadvantages of each.

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H002: Identify the basic types of displays used to promote sales.

KEY

Assessment Instrument

The report:	YES	NO
1. was written in a concise manner.	____	____
2. contained appropriate grammar and spelling.	____	____
3. was 1-2 pages in length.	____	____
4. included a description of each type of display if applicable.	____	____
5. included the student's opinion of each display.	____	____
6. contained the advantages and disadvantaged of each type of display.	____	____

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H003: Identify the special promotion activities used to promote sales.

Role Play

You are the promotions manager for Clean & Mean, Inc., a manufacturer of household cleaning supplies. The marketing research department has just revolutionized floor wax. The company is going to begin marketing this new product - Mop'n Clean.

The CEO of the company has just called you into his office to discuss this product. He has no previous experience with the promotions aspect of the business, but has decided to get involved with promoting Mop'n Clean. He now wants to hear the ideas you have developed for introducing the product to consumers.

Questions

1. Who is the target market for Mop'n Clean?
2. What technique can be used to give added value to the product without lowering the price?
3. If Clean & Mean, Inc. decides to increase awareness of the product by giving away a valuable prize, what 2 forms of sales promotion could they use?
4. How can we get consumers to try the product without having to buy it?
5. What techniques can the company use to induce consumers to buy the product without paying full price?
6. What technique can Clean & Mean, Inc. use to encourage dealers (retailers) to put forth extra effort in selling the product?
7. What can we as a manufacturer do to encourage dealers to run local advertisements of Mop'n Clean?

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H003: Identify the special promotion activities used to promote sales.

KEY

1. varies, ex: housewives
2. premiums
3. contests or sweepstakes
4. samples
5. coupons
6. premium or push money
7. advertising allowances, cooperative advertising

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H004: Identify how sales promotion benefits the marketing business, employee, and consumer.

Assignment

Sales promotion is beneficial in different ways to different people. Find an example of a sales promotion (example: coupon, contest entry form, etc). In a one-page paper, explain how the sales promotion you found benefits the marketing business (manufacturer or retail store), an employee in a retail establishment, and the consumer. Include your example with the report.

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H004: Identify how sales promotion benefits the marketing business, employee, and consumer.

KEY

Assessment Instrument

The report:	YES	NO
1. was well written.	____	____
2. contained no grammatical or spelling errors.	____	____
3. was one page in length.	____	____
4. included the sample sales promotion.	____	____
5. explained how the sales promotion benefited the business, employee, and consumer.	____	____

Possible Benefits:

1. Business - *increased sales
   *increased product awareness
2. Employee - *increased product knowledge
   *possible incentive (push) money
3. Consumer - *increased product knowledge
   *money saved
   *benefits received from product
   *offers incentive to try product

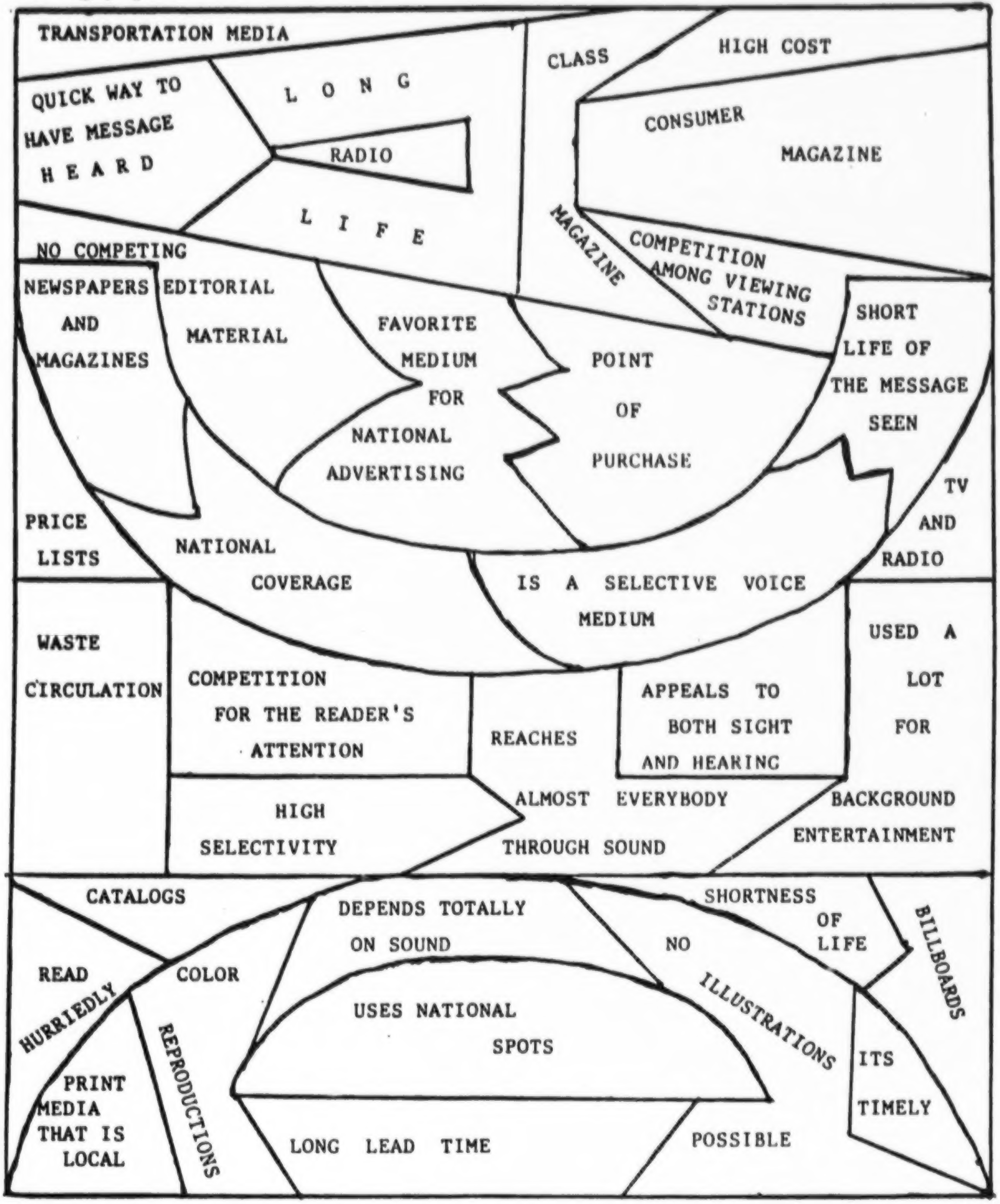
SALES PROMOTION

FUNDAMENTALS OF MARKETING

TASK# H005: Identify the major elements of a print or broadcast advertisement.

Assignment

Color the pieces according to the descriptions given for media types on the following page.


TRANSPORTATION MEDIA
QUICK WAY TO HAVE MESSAGE HEARD
LONG
RADIO
LIFE
CLASS
HIGH COST
CONSUMER MAGAZINE
MAGAZINE
COMPETITION AMONG VIEWING STATIONS
NO COMPETING
NEWSPAPERS AND MAGAZINES
EDITORIAL MATERIAL
FAVORITE MEDIUM FOR NATIONAL ADVERTISING
POINT OF PURCHASE
SHORT LIFE OF THE MESSAGE SEEN
TV AND RADIO
PRICE LISTS
NATIONAL COVERAGE
IS A SELECTIVE VOICE MEDIUM
WASTE CIRCULATION
COMPETITION FOR THE READER'S ATTENTION
REACHES ALMOST EVERYBODY THROUGH SOUND
APPEALS TO BOTH SIGHT AND HEARING
USED A LOT FOR BACKGROUND ENTERTAINMENT
HIGH SELECTIVITY
CATALOGS
READ HURRIEDLY
COLOR REPRODUCTIONS
DEPENDS TOTALLY ON SOUND
SHORTNESS OF LIFE
NO ILLUSTRATIONS POSSIBLE
BILLBOARDS
USES NATIONAL SPOTS
PRINT MEDIA THAT IS LOCAL
LONG LEAD TIME
ITS TIMELY

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H005

1. Color Blue:
   - Advantages of newspaper advertising
   - Disadvantages of magazine advertising
   - Advantages of radio advertising
   - The two forms of publication media
   - The type of magazine that reaches a very select group for specialized products

2. Color Red:
   - Disadvantages of newspaper advertising
   - Advantages of television advertising
   - A form of outdoor advertising
   - The type of media placed in retail stores to remind customers to buy a specific product.
   - The advertising medium that utilizes vehicles
   - The type of magazine that contains articles of interest to most people
   - Two forms of broadcast media
   - The medium with the largest amount of advertising revenues
   - Examples of direct mail

3. Color Yellow
   - Advantages of magazine advertising
   - Disadvantages of TV advertising
   - Disadvantages of radio advertising

SALES PROMOTION

FUNDAMENTALS OF MARKETING

TASK# H005

KEY

1. Color Blue:
   - *Advantages of newspaper advertising
     - -print media that is local
     - -a timely medium
   - *Disadvantages of magazine advertising
     - -long lead time
     - -waste circulation
   - *Advantages of radio advertising
     - -depends totally upon voice
     - -reaches almost everybody through sound
     - -is a selective voice medium
     - -quick way to have message HEARD
   - *The two forms of publication media
     - -newspapers and magazines
   - *The type of magazine that reaches a very select group for specialized products
     - -class magazine

2. Color Red:
   - *Disadvantages of newspaper advertising
     - -shortness of life
     - -competition for the reader's attention
     - -read hurriedly
   - *Advantages of television advertising
     - -appeals to both sight and hearing
     - -no competing editorial material
     - -uses national spots
     - -favorite medium for national advertising
   - *A form of outdoor advertising
     - -billboards
   - *The type of media placed in retail stores to remind customers to buy a specific product
     - -point of purchase
   - *The advertising medium that utilizes vehicles
     - -transportation media
   - *The type of magazine that contains articles of interest to most people
     - -consumer magazine
   - *Two forms of broadcast media
     - -radio
     - -TV
   - *The medium with the largest amount of advertising revenues
     - -radio
   - *Examples of direct mail
     - -catalogs
     - -price lists

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H006: Read newspaper advertisements to keep informed of the advertising done by a business and its competition.

TASK# H007: Recognize broadcast promotions by a business and its competition.

TASK# H008: Read current promotion material sent out to consumers by a business and its competitors (ex. catalogs, manufacturers' brochures, etc.).

Assignment

Promotion is a very important part of marketing. If the customer doesn't know about a product or isn't encouraged to buy it, he/she probably will not. Each business uses different promotions that are designed to outsell the business' competitors.

Select a retail business in your community. Choose another business that is in direct competition with your first choice. Now considering the two, gather an example of each store's newspaper advertising, radio or TV advertising, and promotional material sent out to customers.

In a one to two page paper, describe how each business uses these three forms of promotion, and how they are different. Include the printed examples with your report.

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H006: Read newspaper advertisements to keep informed of the advertising done by a business and its competition.

TASK# H007: Recognize broadcast promotions by a business and its competition.

TASK# H008: Read current promotion material sent out to consumers by a business and its competitors (ex. catalogs, manufacturers' brochures, etc.).

KEY

Assessment Instrument

The report:	YES	NO
1. was well written.	_____	_____
2. contained correct usage of spelling and grammar.	_____	_____
3. was 1-2 pages in length.	_____	_____
4. provided two examples of newspaper advertisements.	_____	_____
5. provided two examples of special promotions.	_____	_____
6. analyzed each business' broadcast, newspaper, and direct mail advertising.	_____	_____

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H009: Identify the costs of various advertising media.

Class Exercise

For each set of examples, determine whether A or B is the best use of advertising, considering the market the advertiser is trying to reach. Circle your choice and give your reason for choosing it.

1. A. Sears places a full-page ad in a Tuesday newspaper
   B. Sears places a full-page ad in a Sunday newspaper
   Reason:

2. A. Proctor and Gamble runs a TV ad for Tide detergent at 11:00 a.m.
   B. Proctor and Gamble runs a TV ad for Tide detergent at 11:00 p.m.
   Reason:

3. A. Nike spends $200 to place an ad in a newspaper.
   B. Nike spends $200 to place an ad in Sports Illustrated.
   Reason:

4. A. Clearasil acne cream runs a radio ad at 5:00 a.m.
   B. Clearasil acne cream runs a radio ad at 10:00 p.m.
   Reason:

5. A. Pillsbury spends $1000 on an ad for flour in Better Homes and Gardens.
   B. Pillsbury spends $1000 on an ad for flour in Popular Mechanics.
   Reason:

6. A. An Anacin Arthritis Formula ad runs on KTQR, a classical music radio station.
   B. An Anacin Arthritis Formula ad runs on KCNQ, a Top 40 radio station.
   Reason:

7. A. An ad to discourage teenage drinking and driving runs on MTV.
   B. An ad to discourage teenage drinking and driving runs on an NBC station.
   Reason:

TASK# H009: Identify the costs of various advertising media.

KEY

1. B. A Sunday newspaper reaches more people.

2. A. More housewives will be watching at 11:00 a.m.

3. B. Those interested in tennis shoes will be more likely to read Sports Illustrated.

4. B. More teenagers will be listening at 10:00 p.m.

5. A. More people will read Better Homes and Gardens than Popular Mechanics.

6. A. More senior citizens will listen to a classical music station.

7. A. More teens will see the ad on MTV.

TASK# H010: Identify the importance of visual merchandising as it applies to a business' image.

TASK# H011: Select appropriate, seasonal, and timely display merchandise.

Case Study

Fashion Elegance is a local women's clothing store that sells expensive, designer apparel. The store's goal is to portray a sophisticated image to its target market, but the sales of Fashion Elegance have not met the owner's expectations. It seems as though it is not attracting women into the store who are willing to spend the additional dollars for this type of clothing.

A description of the store's visual merchandising is as follows:

- The store has a bright neon sign on the store front to attract customers.
- Fashion Elegance makes use of bins to display its merchandise - both small and large ticket items are placed in the bins to make it easier for customers to get to the merchandise.
- To provide consistency, the store keeps the same window display year round - corduroys and wool sweaters.
- New shipments of merchandise are mixed in with previous inventory to make all of the items look up-to-date.
- Narrow aisles are used between the bins so everything is accessible to customers.

Because of the low sales figures, the owner of Fashion Elegance believes that changes need to be made in it's visual merchandising methods. How do the current practices used by the store affect its image? What improvements can be made to attract the store's target market?

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H010: Identify the importance of visual merchandising as it applies to a business' image.

TASK# H011: Select appropriate, seasonal, and timely display merchandise.

KEY

* The visual displays used by a business identifies and sets forth its image.

* Bright neon lights sometimes give the store a discount or bargain appearance.

* The use of bins makes the articles seem inexpensive and are inconvenient for customers to view the merchandise.

* Window displays are an important part of visual merchandising. They should reflect the store's personality and relate to the season.

* Current items should be displayed to stand out from other items in order to attract customers.

* Wider aisles create the impression of quality and prestige.

TASK# H012: Design displays considering the basic elements of display arrangement.

TASK# H013: Plan location of displays.

Assignment

Visual displays are an important part of promotion because they encourage consumers to purchase the merchandise that the retailer has for sale. With this in mind, design an interior display of any product(s) on a piece of poster board. Also provide a one-page written report describing the design of your display, where it would be located in the store, and why.

SALES PROMOTION
FUNDAMENTALS OF MARKETING

TASK# H012: Design displays considering the basic elements of display arrangement.

TASK# H013: Plan location of displays.

KEY

Assessment Instrument

The student:	YES	NO
1. designed an interior display.	_____	_____
2. was creative.	_____	_____
3. provided a one-page report.	_____	_____
4. used correct spelling and grammar.	_____	_____
5. explained the purpose of his/her display.	_____	_____
6. explained where the display would be located and why.	_____	_____

SELLING
FUNDAMENTALS OF MARKETING

I001: Identify how to analyze customer needs and wants.

WORKSHEET

The best way for a salesperson to analyze a customer's needs and wants is to ask questions. Listed below are several products. In the space provided, prepare three questions a salesperson might ask before selecting the exact item of merchandise to show the customer.

ITEM	Questions to be asked by salesperson
Ex. Lamp	a. In what room will you put it?
	b. What colors are in the room?
	c. What style of furniture is in the room?
1. Rug	a.
	b.
	c.
2. Car	a.
	b.
	c.
3. Sweater	a.
	b.
	c.
4. Frying pans	a.
	b.
	c.
5. Ring	a.
	b.
	c.
6. Fruit tree	a.
	b.
	c.
7. Blanket	a.
	b.
	c.
8. Boat	a.
	b.
	c.
9. Man's Suit	a.
	b.
	c.
10. Power saw	a.
	b.
	c.

SELLING
FUNDAMENTALS OF MARKETING

TASK# I001: Identify how to analyze customer needs and wants.

KEY

Sample questions should be used as a guide. Actual questions will vary.

ITEM	Questions to be asked by salesperson
Ex. Lamp	a. In what room will you put it?
	b. What colors are in the room?
	c. What style of furniture is in the room?
1. Rug	a. What size rug do you need?
	b. Do you prefer wool or synthetics?
	c. Do you want an area rug or a carpet?
2. Car	a. Do you prefer a foreign or domestic make?
	b. How many passengers do you normally carry?
	c. Will you use the car for business or pleasure?
3. Sweater	a. What size do you take?
	b. What color do you want?
	c. What style do you want?
4. Frying pans	a. Do you cook often?
	b. Do you prefer lightweight or heavy pans?
	c. Do you prefer designer colors or aluminum?
5. Ring	a. Is it for yourself or a gift?
	b. What size do you take?
	c. Did you want fine jewelry or costume jewelry?
6. Fruit tree	a. What is your favorite tree?
	b. Will you devote much time to watering and pruning the tree?
	c. How much space do you have in your yard?
7. Blanket	a. What weight of blanket do you want?
	b. What size bed is it for?
	c. Do you prefer wool or synthetics?
8. Boat	a. Where will you use the boat?
	b. How many people do you plan to carry in the boat?
	c. Will you use the boat for fishing, skiing, or cruising?
9. Man's Suit	a. What style do you prefer?
	b. What size do you take?
	c. What colors do you like?
10. Power saw	a. What will you be cutting with the saw?
	b. Is the saw for personal or professional use?
	c. Have you operated a saw before?

TASK# I002: Identify how to determine the buying motives of customers and then appeal to them.

WORKSHEET:

There are five major buying motives (or reasons to buy) held by customers. The following is a list of buying motives:

Comfort and Convenience
Health and Safety
Affection
Pride
Economy

A good salesperson is able to uncover the individual customer's buying motive and turn it into an appeal.

Listed below are several products. Indicate a possible buying motive (from the list above) and briefly describe an appropriate appeal.

1. Product: House
   Buying Motive:
   Appeal:

2. Product: Cologne
   Buying Motive:
   Appeal:

3. Product: Exercise Bike
   Buying Motive:
   Appeal:

4. Product: Compact Car
   Buying Motive:
   Appeal:

5. Product: A work of art
   Buying Motive:
   Appeal:

TASK# I002: Identify how to determine the buying motives of customers and then appeal to them.

KEY

Answers will vary. Use the examples as a guide.

1. Product: House
   Buying Motive: Comfort and Convenience
   Appeal: "This house is very spacious so I'm sure you will be very comfortable."

2. Product: Cologne
   Buying Motive: Affection
   Appeal: "This scent is very clean and powdery. I'm sure your mother will really like it."

3. Product: Exercise Bike
   Buying Motive: Health and Safety
   Appeal: "By riding an exercise bike daily you will improve your blood flow and the health of your heart."

4. Product: Compact Car
   Buying Motive: Economy
   Appeal: "This car gets very good gas mileage."

5. Product: A work of art
   Buying Motive: Pride
   Appeal: "I'm sure this will complement the decor of your home. It will be the envy of your friends."

TASK# I003: Approach the customer and begin the sale.

Role Play

It has been said that a salesperson should not greet a customer by saying "May I help you?". Customers are often quick to respond negatively because this is an automatic response to a yes/no question.

Determine and list three possible alternative greetings. Pair up with a partner and role play each greeting. Observe the "customer's" response to each. Answer these questions after all role plays are completed:

1. Describe the customer's response to each greeting.

2. Which greeting seemed to elicit the response that you, the salesperson, desired?

3. Is each greeting appropriate in all selling situations?
   a. If so, how?
   b. If not, describe how you might adapt these greetings to other situations.

TASK# I003: Approach the customer and begin the sale.

KEY

The greetings will vary considerably. Possibilities include:

- How may I help you?
- Good afternoon (morning, night) How are you today?
- Is there something you are looking for?
- What may I show you?

Students should find a difference in customer responses when their greetings do not ask a yes/no question. Therefore, usually the best greeting asks a question that requires an extended response.

Some greetings, such as "How are you today?", will be appropriate for most selling situations. Greetings that ask a question like, "What may I show you?", are not appropriate for non-retail sales.

Students should give examples of adaptations.

SELLING
FUNDAMENTALS OF MARKETING

TASK# I004: Present the features and benefits of a product or service.

TASK# I010: Convert product or service knowledge into selling points.

WORKSHEET:

You are the salesperson for a small residential cleaning service, Maid-in-the-Shade. It is your job to make sales presentations to prospective customers in their homes. An important part of the presentation is giving the features and benefits of the cleaning service.

Listed below are several features Maid-in-the-Shade, Inc. has to offer. Write a benefit for each feature in the column provided. Remember, good benefits are the major selling points of your service.

FEATURE	BENEFIT
Ex. - You can schedule a maid whenever you wish.	This gives you added flexibility and convenience.
1. Our maids will wash windows - even on the second floor.	
2. We only charge $10.00 per hour.	
3. Our maids come during regular business hours.	
4. Our maids bring all their own cleaning supplies.	
5. Our maids are bonded.	
6. Our service saves you from weekly menial tasks.	
7. You tell us what you want done.	
8. We offer an entertainment service. Cooks, waitresses, and dishwashers are available.	

TASK# I004: Present the features and benefits of a product or service.

TASK# I010: Convert product or service knowledge into selling points.

KEY

FEATURE	BENEFIT
Ex. - You can schedule a maid whenever you wish.	This gives you added flexibility and convenience.
1. Our maids will wash windows - even on the second floor.	Window washing can be a dangerous job, especially second story windows. You won't endanger yourself by climbing a high ladder.
2. We only charge $10.00 per hour	Your time is worth more than $10.00 per hour so our service pays for itself.
3. Our maids come during regular business hours.	This way your home is cleaned with no bother to you. You'll never hear the annoying sound of a vacuum cleaner again!
4. Our maids bring all their own cleaning supplies.	You won't have to worry about keeping a stock of cleaning supplies. Also, our company buys industrial strength fluids that work more effectively.
5. Our maids are bonded.	You won't have to worry about theft or property damage because we take full responsibility.
6. Our service saves you from weekly menial tasks.	You have a busy schedule. Our service gives you more time to spend with your family.
7. You tell us what you want done.	We'll be happy to do your laundry, grocery shopping, or whatever helps you the most.
8. We offer an entertainment service. Cooks, waitresses, and dishwashers are available.	Your next party will be easier for you and more elegant for your guests with our entertainment service.

TASK# I005: Overcome customer's objections and excuses.

ESSAY QUESTION:

In order to overcome a customer's objections and excuses, a salesperson must be able to distinguish between them.

Part I: Compare and contrast the two types of sales resistance - sincere objections and excuses. Your analysis should include a definition of each and a brief description of the difference between the two. (20 pts.)

Part II: Describe how a salesperson should handle sincere objections and excuses. (20 pts.)

Part III: Briefly explain why good salespeople welcome customer objections. (10 pts.)

SELLING
FUNDAMENTALS OF MARKETING

TASK# I005: Overcome customer's objections and excuses.

KEY

Part I:

- Definition of sincere objections - Resistance based on an honestly felt misgiving about the purchase involving the buying decisions of need, time, place, item, or price. (5 pts)

- Definition of excuse - Concealing the real objection. (5 pts.)

- The difference between sincere objections and excuses is that sincere objections are easier to handle. They give a direct, definable statement which the salesperson may address.

  Excuses, on the other hand, must be explored further. The true or hidden objection must be revealed before it can be handled. (10 pts.)

Part II:

Dealing with sincere objections:

- Use tact and care in turning the objection into a selling point.

- Agree with the customer and present a different angle.

- Ask the customer to explain his/her objection.

- Ask a question for which the answer overcomes the objection. This causes the customer to answer his/her own objection. (10 pts.)

- Accept any valid objections, present the good points of the merchandise, and show how these points are more important than the objection.

Dealing with excuses:

- Treat the customer courteously and try to find the real objection.

- Follow the excuse with a question concerning a buying decision about price, source, or item to uncover the true objection.

- After the real objection is uncovered, handle it as you would a sincere objection. (10 pts.)

Part III:

Good salespeople welcome objections because they know that handled properly, objections gives them the opportunity to present selling points that will convince the customer to buy. (10 pts.)

TASK# I006: Close the sale.

Role Play:

There are many ways a salesperson can close a sale. Listed below are several methods:

- Ask a question designed to bring forth an answer confirming the customer's choice of merchandise - a positive sales closer.
- Remove those items the customer obviously does not like leaving only two or three items from which to make a selection - narrowing the choice.
- Close the sale based on the principle that people want what others have or want - standing room only.
- Close the sale by getting the customer to agree that he would buy if an obstacle were removed - trap close.
- Encourage the customer to buy now because quantities are limited or the price is increasing soon - last chance to buy close.

Role play the following selling situations with a partner. One of you will act as the salesperson and the other will be the customer. The customer should read one of the statements. The salesperson should respond with an appropriate closing (using one of those previously defined).

EXAMPLE: Customer: I like this rose colored carpet, but should I dare? It is such an unusual color for a kitchen.

Salesperson: (Use a Standing Room Only Close) This color has been one of our top sellers this year. You will probably find that many of your friends will rave about it.

1. Customer: "I'd love to have this coat, but isn't it too long for me?"
Salesperson:

2. Customer: "There are so many colors my fiance' would like. I can't seem to decide which to buy."
Salesperson:

3. Customer: "I'd like my friend to see it before I spend so much money."
Salesperson:

4. Customer: "I really like the whole set."
Salesperson:

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TASK# I006: Close the sale.

KEY

Listed are possible responses, actual responses will vary.

1. Salesperson: (use a trap close) "If we could shorten it for you at no charge would you buy it?"

2. Salesperson: (use a narrowing the choice close) "Blue and red are our most popular sellers. Which one of these do you like best? I'm sure your fiance' will agree with your taste."

3. Salesperson: (use a last chance to buy close) "The sale price will not be available after today. You could buy it now and if your friend doesn't like it, you can return it later."

4. Salesperson: (use a positive sales closer) "Shall I charge it to your account or will you pay cash?"

SELLING

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TASK# I008: Identify sources of product or service knowledge.

TASK# I009: Use information on tags, labels, stamps, wrappers, etc. to help the customer buy intelligently.

ESSAY QUESTION:

Product knowledge is a very valuable tool for a salesperson. It gives him/her the self-confidence needed to be successful. Product knowledge also communicates the salesperson's level of competence and gives the customer confidence in the information presented.

You are a new appliance salesperson at a local store. List five sources of product knowledge for a refrigerator. Following each source, give a brief description of the kind of information found there. (10 pts.)

TASK# I008: Identify sources of product or service knowledge.

TASK# I009: Use information on tags, labels, stamps, wrappers, etc. to help the customer buy intelligently.

KEY: Possible answers.

- Merchandise tags and labels list such information as the price, warranty, instructions for use and care, etc.
- Product advertisements list the features and benefits of the product as well as where it can be purchased.
- Consumer Report (and other consumer magazines) give a comparative rating of available products. It also tells how well specific brands perform, whether it lives up to its claims, and outstanding features.
- Books, magazine and pamphlets found in the school or public library. Almost any information, except exact prices, may be found here.
- Trade magazines give a wide variety of product information.
- Listen to experienced co-workers and your boss. They can give you a variety of information plus their own opinions.
- Listen to knowledgeable customers. They can give you first-hand information if they have used the product before.
- Examine (or use) the product itself. This gives you first-hand information and gives you the ability to relate your personal experience to customers.
- Pretend you are a customer at a competing store. Listen carefully to the information presented by the salesperson.

SELLING
FUNDAMENTALS OF MARKETING

TASK# I011: Compare goods or services favorably with competing products or services.

Role Play

You have started a residential and commercial lawn care service in your community. You are trying to get enough regular accounts so you and a friend can work forty hours per week this summer.

The main competition you face is Butch's Lawn Care Company. Butch has been in business for several years and has built a solid reputation.

Today you are talking to Ms./Mr. Sanders, a neighbor of yours. You wish to sell him/her your service without degrading Butch's.

Listed are several features of your lawn care service and Butch's. In a role play situation, explain to Ms./Mr. Sanders the benefits of your service over Butch's. Make sure that you compare your services in a favorable manner.

FEATURES

Your Lawn Care Service	Butch's Lawn Care Service
1. Customers may have regularly scheduled service or schedule as needed.	1. Customers must contract for a regular schedule.
2. You offer the following services: -mow lawns -rake leaves -trim hedges and trees -plant/hoe/weed gardens -fertilize lawns -sweep/clean patios -clean garages -all special requests are considered	2. Butch offers the following services: -mow lawns -rake leaves -trim hedges and trees -re-tar asphalt driveways -fertilize lawns - most special requests are denied
3. Your equipment is all used and rebuilt.	3. Butch's equipment is modern and new.
4. You charge $6.00/hour.	4. Butch charges $7.50/hr.
5. There are two people working for your service.	5. Butch has 12 employees.

SELLING
FUNDAMENTALS OF MARKETING

TASK# I011: Compare goods or services favorably with competing products or services.

KEY

Use the following rating sheet to assess each student's ability to compare their service with a competitor's.

1. Made a feature by feature comparison between the two services.	Compared All Features 2	Compared Some Features 1	Made No Feature Comparison 0
2. Referred to Butch's service in a positive manner.	Always 2	Usually 1	Very Negative 0
3. Persuasive	Very 2	Somewhat 1	Not at all 0
4. Communicated benefits of his/her service clearly.	Very Clear 2	Somewhat Clear 1	Unclear 0
5. Spoke in a professional manner.	Extremely 2	Somewhat 1	Not at all 0

TOTAL POINTS = ________
(10 possible)

SELLING
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TASK# I012: Suggest advertised product or services needed from one's own company that might satisfy customer's needs.

TASK# I013: Coordinate products or services with related items in an attempt to increase the amount of sale.

TASK# I014: Suggest larger quantities, higher priced goods, and additional goods in an effort to increase the average sale.

WORKSHEET:

You are a very successful salesperson at LaMode department store. Due to your high sales, all of the department managers request that you substitute for their vacationing salespeople.

You have achieved such high sales because you are skillful at suggestion selling techniques. Listed below are products you'll be selling in the various departments. In the space provided name and describe the suggestion selling technique you will use for each product.

Ex. Product: a pair of gray slacks
Technique: related items
Description: black belt to match slacks

1. Product: gold watch
Technique:
Description:

2. Product: briefcase
Technique:
Description:

3. Product: food processor
Technique:
Description:

4. Product: cologne
Technique:
Description:

5. Product: fancy chocolates
Technique:
Description:

TASK# I012: Suggest advertised product or services needed from one's own company that might satisfy customer's needs.

TASK# I013: Coordinate products or services with related items in an attempt to increase the amount of sale.

TASK# I014: Suggest larger quantities, higher priced goods, and additional goods in an effort to increase the average sale.

WORKSHEET: (continued)

6. Product: silver fountain pen
Technique:
Description:

7. Product: ladies black dress shoes
Technique:
Description:

8. Product: cookbook
Technique:
Description:

9. Product: bedspread
Technique:
Description:

10. Product: eight place settings of fine china
Technique:
Description:

TASK# I012, I013, I014

KEY: Possible techniques include:

1. related items (coordinated)
2. larger quantity
3. higher priced/better quality
4. additional goods/advertised goods

Products 1-10: technique and descriptions will vary but should be appropriate for each product. The following are example possiblities for each product.

1. Technique: better quality/higher price
   Description: "This brand is slightly more expensive, but it is made of 18 Carat gold, not 14."

2. Technique: additional goods/advertised goods
   Description: This handy compact umbrella fits nicely in the briefcase you've chosen."

3. Technique: better quality
   Description: "Model XYZ offers the same features but also includes a meat grinder."

4. Technique: larger quantity
   Description: "This 3 oz. bottle will last twice as long and only costs $15.00 more."

5. Technique: related items
   Description: "For just $3.50 you can purchase this decorative metal box for the candy."

6. Technique: related items
   Description: "A silver pencil would be a nice complement to the pen."

7. Technique: additional goods
   Description: "Have you seen our sale on ladies' casual sandals? They are 25% off today."

8. Technique: related items
   Description: "Will you be needing any new pots or pans in which to cook these new recipes?"

9. Technique: related items
   Description: "The maker of this bedspread also sells sheets that coordinate perfectly."

10. Technique: larger quantity
    Description: "By purchasing 10 to 12 place settings now you won't need to worry that this china pattern will be discontinued in the future."

SELLING
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TASK# I015: Identify the various types of selling besides retailing, that takes place in marketing.

Essay Question:

Aside from retail sales, there are two other types of selling - wholesale and manufacturer. Define wholesale and manufacturer sales. List three characteristics and three examples of each. (20 points)

SELLING
FUNDAMENTALS OF MARKETING

TASK# I015: Identify the various types of selling besides retailing, that takes place in marketing.

KEY Points

Wholesale sales:

Definition - Sell manufacturer's products to retailers, business firms, schools, hospitals, etc. Wholesalers are essentially distributors.

Characteristics -

1. Link between the manufacturer and retail store or industrial user.
2. Wholesalers may represent several manufacturers and carry a number of noncompetitive products.
3. Usually works with a group of regular customers and calls on them periodically.
4. Requires salespeople to be a specialist and consultant.
5. May sell up to 3,000 products.

Examples of Wholesalers -

1. Pharmaceuticals
2. Food products
3. Automotive equipment
4. Farm and garden supplies
5. Apparel

Manufacturer Sales:

Definition - Sell the goods of one or a group of related manufacturers to a wide variety of customers.

Characteristics -

1. Salespeople who represent the manufacturers in selling are called manufacturer representatives.
2. Manufacturer representatives may be employed by a manufacturer or self-employed.
3. Sell consumer goods for personal use or industrial goods for business use.
4. Part of the manufacturer representative's job can be maintaining displays, checking and rotating stock, and taking orders.
5. Manufacturer representatives for industrial goods are usually technically trained in specialized fields.

Examples of manufacturer sales -

Consumer goods for personal use, i.e.:

1. Apparel
2. Cosmetics
3. Furniture

Industrial goods for business use, i.e.:

4. Grain
5. Lumber
6. Cotton